

## Presenting a Comprehensive Model of Organizational Culture Change on the Basis of Edgar Schein Approach

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**Abstract:** The present study has been conducted with the aim of presenting a comprehensive model of organizational culture change on the basis of Edgar Schein approach. Research method is quantitative and in terms of objective it is applied research. The statistical population consists of all managers, assistants and advisers in a number of cultural departments and agencies of the Isfahan Province and due to the limited number of senior forces (50) the census sampling method was used. Data collection tool was researcher made questionnaire which was formulated and prepared in accordance with the components of organizational culture of Edgar Schein. Face and content validity of the tool was conducted through determining the degree of coincidence between indicators and size and components by expert professors and confirmatory factor analysis and reliability was measured through Cronbach's alpha coefficient in every dimension that all of them had a value >0.75. Statistical analysis method was descriptive and inferential methods. According to research findings the mean of obtained indicators in all dimensions was 3.69 and higher and all factor loadings of components and indicators are significant in relation to the dimensions that in the end led to a model of organizational culture change.

**Key words:** Change, organizational culture, organizational culture change, Edgar Schein, findings

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### INTRODUCTION

In today's world, social and technological changes are occurring rapidly. Broad and comprehensive changes and transformations along with other components of globalization indicate their impact on the various organizations and institutions. Therefore, it becomes necessary for organizations to make changes for their survival. The necessity organizational changes is evident for most of the managers, experts and others key individuals and they have found that key changes will affect various aspects of life. Therefore, necessary changes should be identified and accurate planning must be designed for their creation. One of the most fundamental organizational elements that have pervaded on the entire fate of organization is the organizational culture. Therefore, if managers succeed to change organizational culture, attitudes, values and beliefs consistent with organizational strategies in this case they will provide the basis for the success of organization.

#### Research questions

##### Main question:

- Which model is appropriate for change of organizational culture in organizational, group and individual dimensions?

##### Secondary questions:

- What are the indicators of organizational culture variability in individual dimension on the basis of components of behavior, value and fundamental assumptions?
- What are the indicators of organizational culture variability in group dimension on the basis of components of behavior, value and fundamental assumptions?
- What are the indicators of organizational culture variability in organizational dimension on the basis of components of behavior, value and fundamental assumptions?

**Literature review:** In today's world everything is changing and only the dynamic culture has the ability to deal with new challenges and is not afraid of it (Omotayo and Adenike, 2013). Therefore, it can be said that in this context and conditions if an organization does not change its organizational culture and fail to comply itself with the needs of society and the audience it will be doomed.

Regarding the fact that basically how the organizational scholars define "organizational culture", we can refer to a number of examples: organizational culture refers to a system of shared meaning held by members

that distinguishes the organization from other organizations (Mats and Stefano, 2008). In this respect, Daft believes that organizational culture is a set of methods, beliefs, perceptions and inferences, modes of thinking that are common among members and it is the same thing that is taught as a true phenomenon to new members and represents the tacit and intangible level of organization. He has defined organizational culture in a similar way: as the behaviors that members believe are required to fit in and meet expectations within their organization. He believes that culture in the context of the organization is a series of common behavioral patterns that are used by employees to achieve the objectives. These common points penetrate in the experiences and knowledge of individuals through repetition and provide mechanisms to perpetuate themselves. Therefore, changing the culture, especially in organizations that have a long history will be encountered with numerous problems and as a result, sometimes organizational leaders are reluctant to make changes due to profits that they gain from the current situation. Science of psychology of change suggests that change is never easy but believes that it should not be afraid. When the mind is focused on change many doors will be opened and facilities will be provided for organizations (Alvesson, 1987). In this regard, Schein notes that unwanted crisis reveal new norms and important fundamental assumptions and ultimately lead to new solutions and positive outcomes of employees. He believes that feelings such as fear, threat and frustration are normal before the acquisition of sufficient incentives for forgetting previous culture and the adoption of a new culture. Change attempts are originated from intra-organizational sources. When the attempts for change are not encouraged and approved by the leader, there will be very little chance for change and may be lost. For changing values in a culture the following four questions must be answered: the value is provided from which source? This value is placed at which level of the structure of the system in terms of hardness and strength? Creating change in this value will make which range of changes obligatory? The intended process can be and should be carried out during which scheduling? In writing, Schein notes that the leader should not necessarily seek to change the culture but initially he should seek to increase and change the effectiveness. Now if it was demonstrated that the culture has caused limitation in this field, the program of culture change should be adopted. In this field, also notifies that culture change is not one of the primary requirements of any changes and it must be placed at the category of last efforts and be used if it was needed. He in his studies that

culture is not always necessarily the starting point for change and if needed internal culture of the organization should be changed. In this respect believes that in implementation of change, facilitation of change is needed. However, it should be said that changes among the 21st century organizations has become a necessity and the organizations who are not thinking of change are known as the frozen organizations. Although, the error rate of inauguration of organizational changes is amazing but remaining in a state is frightening and daunting as the implementation of change. Regardless of cultural change, most of the initial changes required by the organization occur less than the expected level. Of course it should also be noted that different people present different perceptions of organizational culture change. Therefore, one of the important tasks of managers along with other members of the organization is to find a uniform interpretation of the organizational culture change. In fact change in organizational culture is an action for restoration of organization according to the new requirements and in most studies cultural change is a major technical project (Andrew, 1995). In order to apply the organizational culture changes, he have considered prerequisites that some of them are as follows: employing new forces and embracing the optimal culture, new planning for acculturation and socialization of new values, systems of assessment and encourage of new and accurate ways of working, increasing the signs and symbols of a new and optimal organizational culture in the environment of the organization, communicating with employees in new ways by managers, deployment of new verbal and physical symbols appropriate to the optimal culture.

In continuation of the discussion of prerequisites, it can be said that if the following conditions exist, probably the culture of the organization will change faster: severe crisis, a change in leadership, existence of weak culture (Babakhani, 2012) but in general and on the basis of conducted studies it must be said that to make changes in organizational culture we should start making changes in main organizational, groups and individual dimensions. To change any of these dimensions based on each level of the organizational culture, several and minor indicators must be considered to result in the change of the organizational culture that in this study it has been indicated through a comprehensive model (Fig. 1).

**Research background:** Andrew (1995) conducted a study entitled as "Evaluation of Relationship Between Organizational Culture and Management Components on the Basis of Organizational Value". In the hypothesis

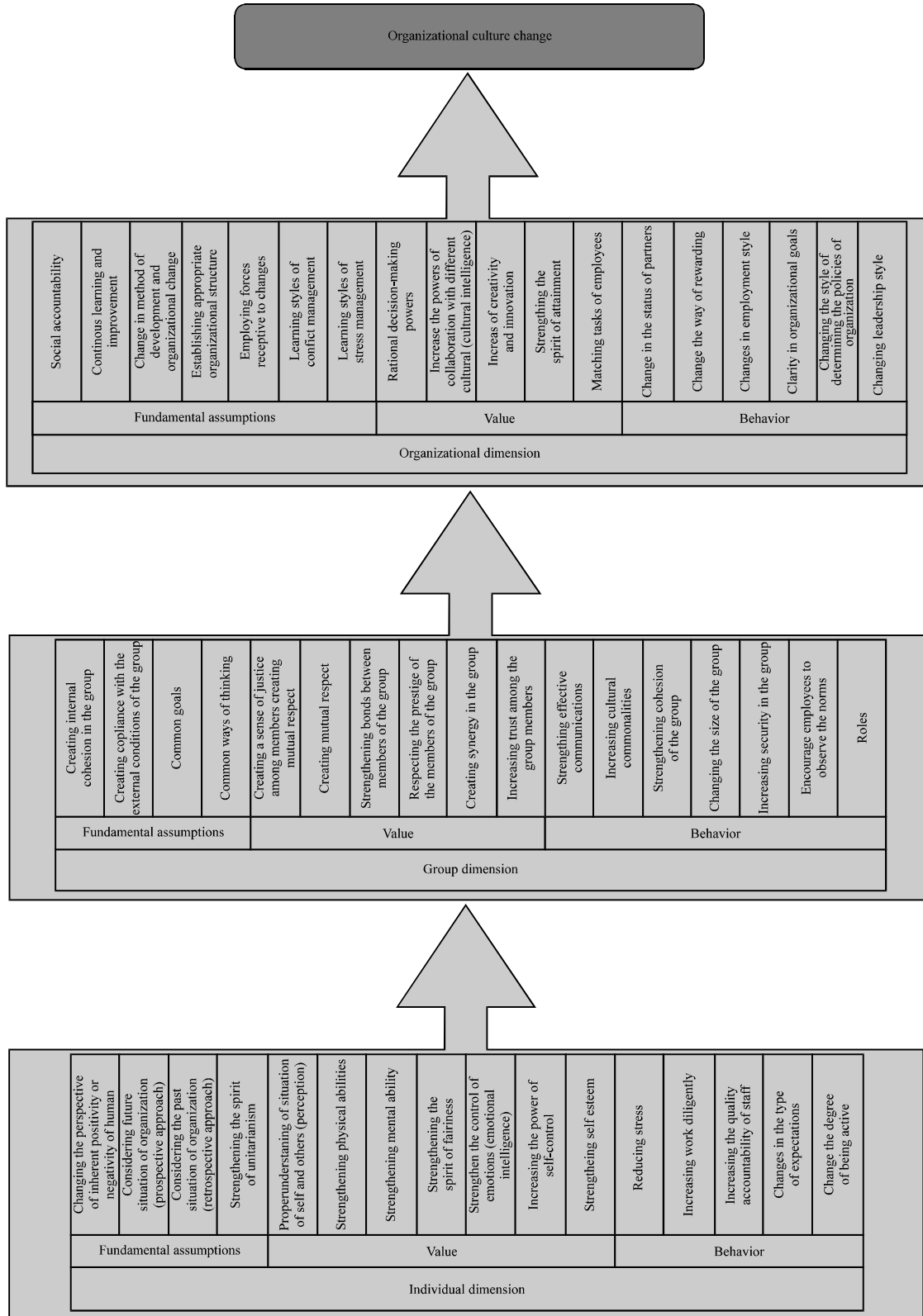


Fig. 1: Organizational culture change model

of the study, the relationship of dimensions of organizational culture including risk-taking, innovation, motivation and work diligently, communication, teamwork and management with control have been considered according to values (Andrew, 1995). The research is of descriptive correlational type and for data collection two researcher made questionnaires were used. Statistical population consisted of all the teachers and e-Staff of Abade Education Department. Results of this study suggest that in the studied organization there is a significant relationship between all the components of organizational culture and management based on values.

In 2003, a study was conducted by Chu entitled as "The Relationship Between Organizational Culture Change and Empowerment". Population of this research was some industrial sectors in Hong Kong. The results showed that: the requisite for changes in any organization is its acceptance by employee, every successful change in an organization requires a change in the organizational culture and organizational culture change is directly related with empowerment of staff and reduces resistance and increases the effectiveness.

In 2007, Seren and Baykal conducted a study entitled as "The Relationship Between Change and Organizational Culture of Hospitals in Istanbul". The purpose of this study was to determine the attitude of health personnel and insurance about the changes. The population of the study was all nurses, doctors and pharmacists in governmental and private hospitals and means of data collection was a cultural questionnaire and Attitude Against Change Scale (AACS). The results obtained suggested that the board of directors was seen as an absolute ruler and under the authoritarian culture employees were reluctant to make changes and culture of cooperation and variability was seen greatly in private hospitals.

In 2011, a study was conducted by Ray and Goppelt entitled as "Investigating the Effect of Leadership Development in Creating Organizational Culture Change". The purpose of this research is to study the relationship of development programs and modifying leadership skills by changing culture and measurement tools, metacognitive self-assessment tests based on psychology and the 360 degree feedback model. Researches results suggest that styles that have tendency towards social constructionism and are combined by complex social changes are successful in promoting the development of leadership and organizational change and consider organization as an information exchange network, where systematic changes of a sector occur along with the other parts.

In 2012, a study entitled as "Access to Quality Through Changing Organizational Culture". Statistical

population consisted of the students of one of the private universities in Romania and the SWOT analysis method was used. Based on the conducted analysis, strengths obtained in the process of changing the organizational culture in the University of Romania are: appreciation of senior managers from change agents, increased capacity facing new requirements, increased expectation of change agents from their capabilities, increase of the solidarity of group, improvement of organizational conditions, increased employment opportunities. Weaknesses obtained from strategic analysis include: loss of time and energy, wrong doing and deterioration of some workers, hardening of situation of organization at a time, degradation of communication between people.

## **MATERIALS AND METHODS**

Research method is quantitative and it is a descriptive-survey research. In terms of objective, it is applied research. Data collection tool was researcher made questionnaire which was formulated and prepared in accordance with the components of organizational culture of Edgar Schein. Indices were in a form of 47 questions by using Likert spectrum. Face and content validity of the tool was conducted through determining the degree of coincidence between indicators and size and components by expert professors and confirmatory factor analysis and reliability was measured through Cronbach's alpha coefficient in every dimension that all of them had a value  $>0.75$ . The statistical population consists of all managers, assistants and advisers in a number of cultural departments and agencies of the Isfahan Province and due to the limited number of senior forces (50) the census sampling method was used. The present research analyzes were conducted by using LISREL Software in two descriptive and inferential statistical levels. In inferential statistics, confirmatory statistical analysis tests were used and in order to verify the fitness indicators like comparative fit, Tucker-Lewis Index (TLI), Parsimony Normed Fit Index (PNFI) were used.

## **RESULTS AND DISCUSSION**

Findings of this research are presented in 3 general categories and in response to 3 secondary question of research in Table 1-3 and in the end comprehensive model of organizational culture change has been provided on the basis of components of Edgar Schein:

**First research question:** What are the indicators of organizational culture variability in individual dimension on the basis of components of behavior, value and fundamental assumptions?

Table 1: Maximum standard and non-standard estimation, critical ratio and significant level of the main parameters presented in the model in individual dimension on the basis of components of behavior, value and fundamental assumptions (first research question)

Variables	S	US	CR	p-values
Behavior	0.634	0.866	3.59	0.001
Value	0.752	0.821	5.39	0.001
Fundamental assumptions	0.752	0.821	5.39	0.001

Table 2: Minimum standard and non-standard estimation, critical ratio and significant level of the main parameters presented in the model in individual dimension on the basis of components of behavior, value and fundamental assumptions (first research question)

Variables	S	US	CR	p-values
Behavior	0.347	0.593	2.53	0.011
Value	0.555	0.718	3.80	0.001
Fundamental assumptions	0.387	0.693	2.53	0.011

Table 3: Distribution of mean, variance and standard deviation of the individual dimension

Mean	Variance	SD	No
64.5	25.845	5.08378	16

Since, the organization consists of every individual when changing the culture of the organization the individual parameters should be focus on. In this dimension of change, at different levels of the organization culture, on the basis of components of Edgar Schein, i.e., behavior, value and fundamental assumptions some indexes were presented. Table 1-3 show the results of the statistical analysis, the validity and effectiveness of these indicators according to the model presented in Fig. 1.

Indices are presented in the model according to components of behavior, value and fundamental assumptions that according to the research results that a summary of it has been presented they are valid. This may indicate that for individual changes, changes in behavior, values and fundamental assumptions are necessary. The results obtained from the estimated value of the index and the ratio of effects on the dimensions show that the effectiveness of indicators on creating change in organizational culture are not the same and some indicators are of greater value. A deeper look into the past and future state of the organization, having a proper understanding of your and others position, having fairness among staff had high functional value. Indicators of change in the expectations of employees, increasing the quality of the participating and having the spirit of unity had obtained the lowest factor loadings. The findings of this part of research are consistent with the results of Seren and Baykal, Venice and Hamilton, Addowal and Antibinal: in short it can be said that in the mentioned researches there was a relationship between motivation, job diligently, fairness, self-control, ability and attitude of the staff, the past the organization, manpower skills with the requirements and conditions of organizational culture change and these variables were

Table 4: Maximum standard and non-standard estimation, critical ratio and significant level of the main parameters presented in the model in group dimension on the basis of components of behavior, value and fundamental assumptions (second research question)

Variables	S	US	CR	p-values
Behavior	0.740	1.000	-	0.001
Value	0.918	1.370	7.24	0.001
Fundamental assumptions	0.778	0.899	4.99	0.001

Table 5: Minimum standard and non-standard estimation, critical ratio and significant level of the main parameters presented in the model in group dimension on the basis of components of behavior, value and fundamental assumptions (second research question)

Variables	S	US	CR	p-values
Behavior	0.532	0.474	4.59	0.001
Value	0.361	0.510	3.31	0.001
Fundamental assumptions	0.687	1.000	-	0.001

Table 6: Distribution of mean, variance and standard deviation of the group dimension

Mean	Variance	SD	No
57.2414	30.618	5.5337	14

part of all the indicators that have been proposed in the pattern of change of organizational culture (Bruce, 1994).

**Second research question:** What are the indicators of organizational culture variability in group dimension on the basis of components of behavior, value and fundamental assumptions?

Since, the success of individuals in the organization is ensured through group activities and on the basis of effective and appropriate communication, changes in the culture of the organization should began from the group dimension of organization to be accepted by the common individuals in groups and in this way, individuals and organizations are much more impressed. Measures of variability in group dimension, at the organizational culture levels of Schein, on the basis of components of behavior, value and fundamental assumptions are observable in organizational culture change model (Fig. 1). A summary of the results of statistical analysis, validity and effect of these parameters on the group dimension are provided in Table 4-6.

The conducted statistical analysis that a summary of which is presented here shows that indices of group dimension are valid according to components of behavior, value and fundamental assumptions which are presented in the model. The results show that teamwork and group work requires variety of requirements and since in groups, opportunities and threats are common all members must try to acquire a feeling of sharing at the highest level and group behavior will not change unless the value is changed in the middle layer and finally the fundamental assumptions that are intangible part of the culture. Accordingly, the results suggest that some indicators such as mutual respect, justice and effective

communication have more effectiveness and indicators such as seeking for linkage and the size of the group have lower effectiveness. The findings of this part of research are consistent with the results of Seren and Baykal. In the mentioned researches, the relationship between organizational culture status and possible changes have been approved with indicators such as respect, trust, social behavior, communication, teamwork, integrity, mutual respect, honesty, respect for other conditions, compliance with external requirements, shared mental models that these variables are part of all the indicators that have been proposed in the pattern of change of organizational culture.

**Third research question:** What are the indicators of organizational culture variability in organizational dimension on the basis of components of behavior, value and fundamental assumptions?

Since, different individuals and groups are working in an organization which should have a structure, leadership positions, specific reward and employment conditions to make changes in the culture of the organization, it is necessary to analyze internal and external conditions of the organization. Even in order to provide a framework for assessing organizational culture change significant features of the organization are considered among the main priorities. Measures of variability in organizational dimension, at the organizational culture levels of Schein on the basis of components of behavior, value and fundamental assumptions are observable in organizational culture change model (Fig. 1). A summary of the results of statistical analysis, validity and effect of these parameters on the organizational dimension are provided in Table 7-9.

Table 7: Maximum standard and non-standard estimation, critical ratio and significant level of the main parameters presented in the model in organizational dimension on the basis of components of behavior, value and fundamental assumptions (third research question)

Variables	S	US	CR	p-values
Behavior	0.715	1.11	3.99	0.001
Value	0.853	1.00	-	0.001
Fundamental assumptions	0.708	1.30	4.17	0.001

Table 8: Minimum standard and non-standard estimation, critical ratio and significant level of the main parameters presented in the model in organizational dimension on the basis of components of behavior, value and fundamental assumptions (third research question)

Variables	S	US	CR	p-values
Behavior	0.428	0.573	3.05	0.001
Value	0.471	0.603	4.21	0.001
Fundamental assumptions	0.488	0.781	3.44	0.001

Table 9: Distribution of mean, variance and standard deviation of the organizational dimension

Mean	Variance	SD	No
69.6	49.628	7.04468	17

The results show that indices of organizational dimension are valid according to components of behavior, value and fundamental assumptions which are presented in the model. This study also showed that to make changes in organizational culture, the managers, play a major role through adopting policymaking and planning styles in various administrative fields and their style of management and planning originates from internalized values that are from underlying levels, i.e., fundamental assumptions of the organization which is the hidden and deepest level of organizational culture and in one sentence, the approaches of organizational leaders and founders play a major role in changing organizational culture. The conducted statistical analyses show that in comparison to other dimensions, organizational dimension has the most effectiveness in organizational culture change. In estimation of functional value of index and the ratio of the effects on the dimensions it was concluded that effectiveness of indicators on creating change in organizational culture are not the same and some indicators are of greater value that this issue demonstrates the power of indicators in changing the culture of the organization. The findings of this part of research are consistent with the results of Ray and Goppelt and Turdean and Vana. The most influential variables in this dimension were rational decision making, learning and continuous improvements, cultural intelligence improvement and recruiting staff embracing change and indicators of synchronized tasks, having clear goals and a sense of attainment had the lowest factor loadings.

## CONCLUSION

Culture is formed according to group needs of humanity and only the dynamic culture has the ability to deal with new challenges and using opportunities and does not afraid of accepting new situations. Therefore, if an essential organization element, i.e., "organizational culture" does not change, the entire organization will be isolated. Therefore, creating a change in the culture of the organization depends on following the correct model of a future-oriented approach and it is the only way that through it we can success in future. To apply the changes, determining a set of variable indicators in various dimensions and levels are needed which are provided in the present study. Statistical analysis and extraction of factor loading indicators show that the proposed model is a valid model for applying cultural changes. Average values of it in the individual dimension is 0.43 in the group dimension 0.81 and in the organizational dimension 0.46 which are significant amounts and suggests that by considering such a model, a systematic and series like action would be possible with the highest efficiency and lowest possible crisis.

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