

An Investigation of the Managerial Practices and Attitudes toward Organisational Culture Management in Western Australia

Harry Wong, Paul Alexander, and John R. Venable

School of Information Systems, Curtin University, Perth, Australia.

Email: Harry.Wong@curtin.edu.au, P.Alexander@curtin.edu.au, J.Venable@curtin.edu.au

ABSTRACT

Various studies have confirmed the widespread influence of Organisational Culture (OC) on success and failure in organisations. Researchers have confirmed the relationship between OC and specific outcomes like organisational performance and productivity, technology adoption, and organisational growth. Appropriately managing OC is therefore seen as a way to facilitate organisational change and improvement.

Despite the importance of OC in supporting the overall success of organisations, relatively few studies have been undertaken on OC Management (OCM) in Australia. In this exploratory investigation the practices and attitudes of managers toward OCM in the context of Western Australian (WA) are surveyed to determine the importance of OCM, which aspects are most important to managers, and the practices in managing OC.

KEYWORDS: Organisational Culture, Organisational Culture Management

INTRODUCTION

Organisational Culture (OC) is an important determinant of success and failure in organisations (Drennan 1992; Bryna 2008; Klein 2011). It has been found to affect organisational productivity, competitiveness and sustainability (Flatt and Kowalczyk 2008; Yilmaz and Ergun 2008; Hynes 2009; Linnenluecke and Griffiths 2010). It is also a sense-making device that shapes the behaviour of organisational members and impacts their (organisational) quality of life (An, Yom et al. 2011). A compatible OC is crucial for the development of strategic thinking and the successful implementation of many types of organisational change (Skerlavaj, Stemberger et al. 2007; Welch 2010).

Consequently, improving OC is a key way to improve organisational performance. To improve OC, it is important that organisational leaders have a clear understanding of its nature, and engage in OC management (OCM) effectively. We propose therefore that the effectiveness of OCM may be increased by developing better understanding of OC among managers and by improving managerial practices toward OCM. However, there is a dearth of information on the nature and extent of OCM practices in organisations.

This argument and research gap lead to three important questions. Firstly, how important is OCM to managers, and how successful are organisations at managing OC? Secondly, which aspects of OC are most important to managers in its management? And thirdly, what do practicing managers do to manage OC?

remains particularly high in the area of developing ways to better influence (and manage) OC to improve organisational performances.

Research on OC and OCM in Australia

A number of approaches have been taken by researchers in the interest of furthering the understanding of OC and OCM in Australia. The value orientations of Australian managers has been compared with those of executives in Russia, Japan and China (Sarros and Santora 2001). Other studies were directed at identifying aspects of OC deemed important to Australian managers (O'Reilly, Chatman et al. 1991; Sarros, Gray et al. 2005). Instruments for assessing OC were developed (O'Reilly, Chatman et al. 1991; Cable and Judge 1997; Ashkanasy, Broadfoot et al. 2000) and the impact of OC as it relates to organisational strategy was investigated (Baird, Harrison et al. 2007).

RESEARCH METHOD

Given the importance of OC and the research questions, an exploratory study was conducted to provide a good base for examining OCM in terms of its importance, success, and activities.

A semi-structured questionnaire, consisting of a mixture of closed and open-ended questions, was used to explore the questions posed in the previous section. To gain contrast to the study by Baird et al. (2007) which focused on the manufacturing and service industries, this study invited inputs from participants from a wide range of organisations in WA. Collection of data by email was chosen as the best option to reach a wide range of audience within constraints of time and resources (Saunders, Lewis et al. 2009).

From a total 1578 questionnaires sent by email to managers in various industries in WA, 594 were returned as non-existing email addresses. 53 completed questionnaires were returned but only 48 were properly completed and useable, yielding a 4.88% response rate. The three questionnaires that were received in response to a second request did not appear to be significantly different from those of the earlier respondents indicating little or no non-response bias. The 48 usable responses are from mining, engineering, manufacturing and various sectors of the service industry. Small businesses (less than 100 employees) represented 69% of the responses, medium businesses (100 to 200 employees) represented 23% and 8% represented large businesses (more than 200 people).

RESULTS

Perceptions of OC and OCM in WA Organisations

OCM was rated as important by 98% of the respondents. Only 2% rated OC management at below average importance.

A large majority (77%) were confident that their OC was highly appropriate, while 17% rated their OC as somewhat appropriate. 4% thought that the OC in their organisation was somewhat inappropriate and 2% of respondents indicated that the culture in their organisation was inappropriate.

Participants were asked to rate how successful their organisations were at OCM on a scale of 0 to 10 (0 = unsuccessful, 10 = highly successful). 6% rated their organisations between 0 and 3. 42% rated the success of their OCM between 4 and 7 and the balance of 52% rated it between 8 and 10 (see figure 1 on the next page).

The Difficulty of OCM in Organisations

When participants were asked for their opinion on how difficult it was to manage OC, 10% regarded OCM as easy, while 78% thought managing OC was moderately difficult, 6% perceived OCM as hard, and 6% of the respondents said they did not know.

Techniques Used for OCM

Respondents were asked an open-ended question to highlight techniques used to manage OC within their organisations, and made a total of 240 statements in response. These statements were analysed and those which expressed similar intent were combined. 156 distinctly different statements remained, which were categorized into 11 strategies. The most commonly used strategy reported was communication (mentioned by 19% of respondents) and the least frequently mentioned strategy was the presence of visions and missions (mentioned by 4% of respondents). Other strategies mentioned (in order from most to least frequently mentioned) include (2) regulate, (3) set examples, (4) team dynamics, (5) leadership, (6) measure and manage, (7) reinforcement, (8) inertia/dynamic, (9) empowerment, and (10) selection process. Figure 3 shows more details.

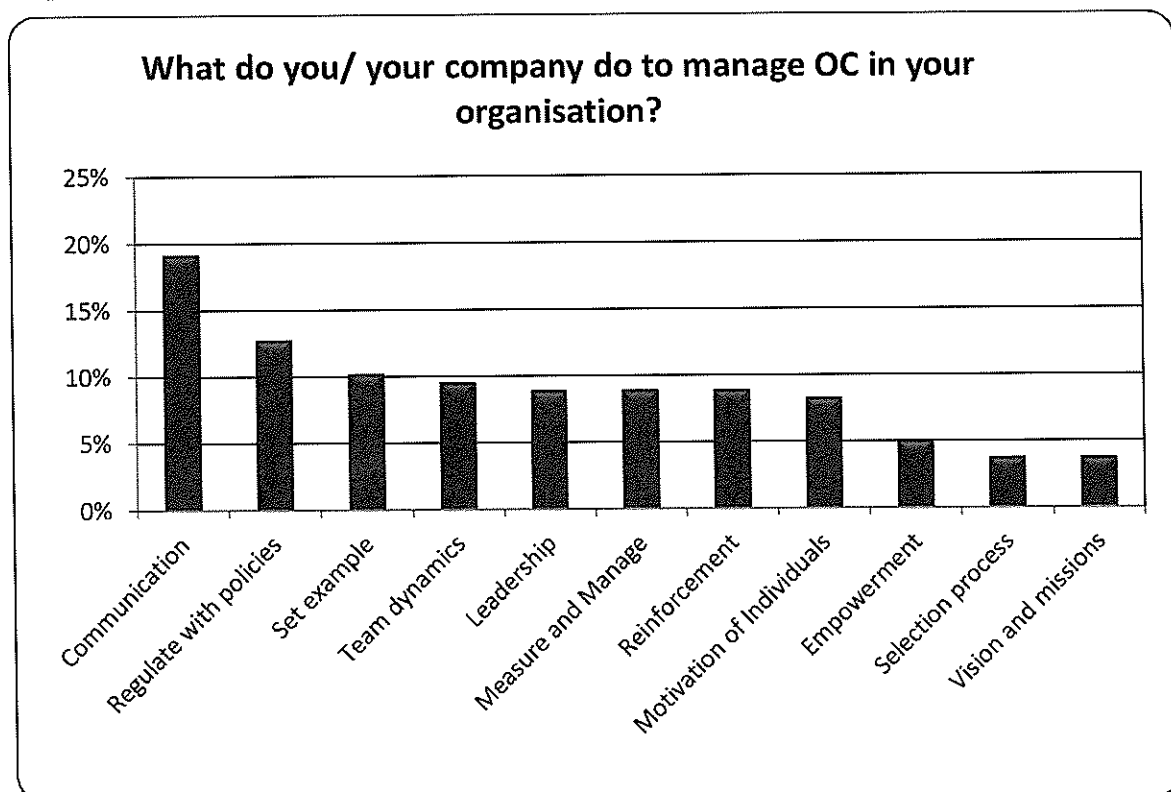


Figure 3: Frequency of Reported Techniques Used for OCM

DISCUSSION

The Perceived Importance of OC Management

It appears that while a majority of managers in Western Australian organisations recognise OCM is an important task, many recognise its inherent challenges. Despite the difficulties of OCM, a large proportion of managers perceived the culture of their organisations to be appropriate, and more than half were confident they were successful in their OCM activities.

The Perceived Importance of Aspects of OC

The findings of this study can be compared to those of Baird (2007). The top 10 aspects of culture that were identified by Baird (2007) were rated by respondents as discussed earlier and shown in figure 2. By converting the ratings of these cultural dimensions by the respondents to rankings, the current study's results can be compared to those of Baird (2007). Figure 4 shows the details, but two differences are worth discussing.

CONCLUDING REMARKS:

A majority of the managers in the WA context agree that OC is vital to the success of their businesses. Many believe that their organisations are successful at OCM and that the cultures of their organisations are somewhat appropriate. While recognising the inherent challenges of OCM, these managers believe that successful OCM is attainable, especially when the practice of OCM is grounded in the development of fairness, results orientation, respect for individual's right, and team orientation. However, given the differences that exist in the definition of OC and the variations in the ways that OC is conceptualised, narrowing the scope of what constitutes OCM and determining that which constitute effective OCM remains problematic.

Future research

Further research remains to be done to develop theories that better define OC in a practical sense, and to explain links between specific aspects of OC and practical OCM activities. The interaction between OCM and an organisation's features, such as its size are also potentially valuable lines of investigation. Such research will be most helpful in guiding the formulation of OCM strategies.

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