

EXAMINING ORGANIZATIONAL CULTURE WITH OCAI AMONG EMPLOYEES OF A SERVICE COMPANY

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Abstract: *The issue of organizational culture is a much researched area; several related models have been created over the previous decades and it is still a current topic. In this paper, following a brief theoretical overview of the topic, I have measured the organizational culture of a service company with the Organizational Culture Assessment Instrument (OCAI) questionnaire developed by Cameron and Quinn. The questionnaire contains a set of 4 statements, to be considered in 6 dimensions (dominant characteristics, organizational leadership, management of employees, organization glue, strategic emphases and criteria of success), each corresponding to 1 culture type (clan, adhocracy, market, hierarchy). In recent years, many research studies have been written using the OCAI questionnaire among different kinds of organisations, including logistics enterprises, family firms and universities. We have the ability with OCAI to determine the values that are perceived and considered ideal by employees, both for the individual units and for the whole of the organization. I have used descriptive statistics, and one-sample and paired t-tests to obtain answers to my research questions. As regards hierarchy-adhocracy, employees perceive the culture they currently experience and the one they consider ideal to be the same. With the exception of the organisational leadership (2) dimension, they feel the culture to be close to a hierarchical one, and distant from an adhocracy. The need for change appeared in the market-clan cultures; the culture that was perceived to be dominant was more of a market culture than the others, but respondents considered a clan culture was the ideal, a finding which was similar to a previous research study on logistics companies. The direction that was considered desirable is not necessarily an ideal direction of intervention for a profit-oriented, service organization; however, it may be worth taking into account the results of the decisions affecting the culture of the managers of the company examined, and managers of other companies that achieve similar results.*

Keywords: *organizational culture; person-culture fit; OCAI.*

JEL Classification: *M14; J24.*

1. Introduction

I present my empirical research among employees of a service organization in this paper, which was designed to assess the organizational culture that was currently perceived and considered ideal by the staff, without specifically referring to the company name; I use the name "service organization" to guarantee anonymity. Following a brief theoretical overview of the topic, I have evaluated the

questionnaires completed by 24 employees of the service organization examined. I used the Organizational Culture Assessment (OCAI) questionnaire developed by Cameron and Quinn, which is based on the Competing Values Framework (Cameron and Quinn, 2006). The following research questions (Q1, Q2) were formulated:

Q1: Which of the four cultural types of the Competing Values Framework includes the organizational culture perceived or considered ideal by employees?

Q2: Is there a difference between perceived and ideal cultures?

2. Theoretical Background

The issue of organizational culture is a much researched area; several related models have been created in the previous decades and it is still a current topic. Covin and Slevin (1990) distinguished between technical and organic culture. According to the typology of Handy (1993), the culture of every organization can be classified into one of the following: power, role, task and person cultures. Marcoulides and Heck (1993) developed a model and examined how the visible features of culture can influence the performance of an organization. According to Sein (2010), the role of culture has a dual, stabilizing function, but it is also capable of learning so it also has an innovation role. Based on empirical research involving companies in different industries (Baetge et al., 2007), the organizational culture, performance and success of companies co-exist. Ogbonna and Harris (2000) also used empirical research to show the relationship between leadership, culture and performance.

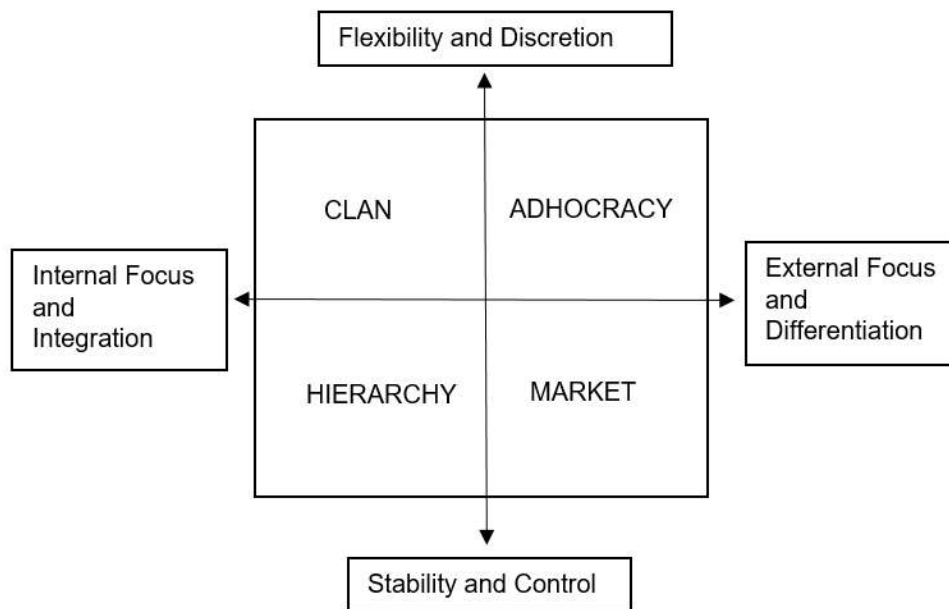


Figure 1: The Competing Values Framework

Source: Cameron and Quinn, 2016: 35

Cameron and Quinn (2006) created the Organizational Culture Assessment Instrument (OCAI) questionnaire, based on the Competing Values Framework. This has led to the development of a tool for measuring culture, which enables the culture of business enterprises to be measured, too. In their organizational culture model, four different types of culture were distinguished in two dimensions, where the two dimensions represented internal or external focus, and flexibility or stability (Figure 1).

In recent years, many research studies have been written using the OCAI questionnaire. Ujhelyi and Kun (2016) conducted research with university students, Ližbetinová and her research associates (2016) examined logistics enterprises, and Zhang and Li (2013) examined the culture of family firms. Using OCAI we have the ability to determine the values that are perceived and considered ideal by employees, both for the individual units and for the whole of the organization (Ujhelyi and Kun, 2016).

Below, I describe the culture types shown in Figure 1 above, based on Cameron and Quinn's model (2006).

For a hierarchy, formal rules and policies hold the organization together. Strong formalization and structuring are characteristic, and efficient and well-coordinated leaders control employees with various rules and regulations. The organization is committed to efficiency, stability and predictability over the long term.

In the culture of the market, the cohesive force is the constant emphasis on victory, and a strong results orientation. Leaders are rigorous and tough competitors. In the long term, their goal is to set and achieve challenging goals to increase market share. An organization with a clan culture focuses on loyalty and tradition, and the commitment of the employees to the organization is high. The workplace provides a friendly environment, and people share many things, like a large family. Leaders act as mentors, characterized by teamwork and consensual decision-making, and emphasize that the development of individuals is a long-term benefit of the organization.

In the case of adhocracy, commitment to experimentation and innovation is the "glue" between members. Leaders and employees are risk takers in a dynamic, ever-changing environment. The long-term goal of the organization is to achieve rapid growth and to acquire new resources. The creation of new products and services represents success for the organization, so it is important to adapt to change and to be open to new challenges.

3. Methodology

After the theoretical review I present my own empirical research below. My culture survey questionnaire, following Cameron and Quinn's (2006) original, contained 4 statements to be considered in 6 dimensions, which I supplemented with some demographic detail. The 4 statements (A, B, C, D) in each of the 6 dimensions each correspond to 1 culture type (clan (A), adhocracy (B), market (C), hierarchy (D)). It was necessary to allocate 100 points per dimension to the respondents among the

4 statements, where the higher score was the one that was considered more characteristic of their organization. In the questionnaires, the respondents had to evaluate the culture they perceived to be ideal. 24 questionnaires were collected in total by the service organization on a paper basis in a voluntary and anonymous form. The gender breakdown by age is shown in Table 1 below.

Table 1. Distribution of sample by gender and age (capita)

No	age					
	19-25	26-35	36-45	46-65	Over 65	All
Men	0	5	1	1	0	7
Women	2	7	6	2	0	17
All	2	12	7	3	0	24

Source: Author's own research results

4. Results

I present my results below, in a structure similar to Ujhelyi and Kun's (2016) work. The first part of Table 2 contains 4 statements per dimension. In cases of accidental response, a value of 25 is expected per statement. In the case of the 24 statements (6 dimensions x 4 questions = 24), the average respondent values for the current culture differed from the expected value of 25 in 18 cases. These t-test values indicating the deviations are marked with "***" in column "t". The statistical significance of the deviation was checked by a one-sample t-test at the 5% significance level.

Compared to a random distribution (taking into account the results of the t- test), a higher value was added to the current culture for 1C, 2C , 3C, 4C, 5C, 6C, and lower one for 1A, 1B, 2A, 2D, 3A, 3B, 4B, 5A, 5B, 5D, 6A, and 6B. In relation to the ideal culture, the evaluation of 3A, 4A, 5A, 5C, and 6C increased compared to a random result, and the evaluation of 1B, 1C, 2B, 3B, 3C, 4B, 4C, 5B, 5D, and 6B decreased. The results show that the culture of the service organization is perceived by workers in all dimensions as a market culture, and much less a clan culture, and that, with the exception of the organizational leadership (2) dimension, they are close to a hierarchy culture and perceived to be far from an adhocratic one.

When defining the ideal culture, dominant features were significantly above average for the clan (true, the market was above average, too), and below average for adhocracy and hierarchy. As regards the desired leadership (2), strategic emphases (5) and the criteria of success (6), the respondents' expectations were that the organisation is characterised by a culture which is close to a market and to a hierarchy; however, they expect a below average level of market like culture in terms of the operational style (3), and the organisational glue (4).

The difference between the present and the ideal culture was examined with paired samples t-tests, and I found it significant in the case of the statements "A" and "C" for all dimensions. In the case of organizational leadership (2), statements "B" and "D, and in the case of Management of Employees (3) "B", and Organization Glue (4) "D" were also significant; in the Strategic emphases (5) section, in the case of the

statement marked by a “C” there appeared the greatest difference between the currently experienced and the ideal cultures.

Table 2. Values of OCAI Dimensions

Dimension		Current			Ideal			Difference
Name	T	Mean	Std. Deviation	t	Mean	Std. Deviation	t	t
1. Dominant Characteristics	A	21.58	6.31	-2.65**	28.21	7.75	2.03	-3.55**
	B	21.88	6.22	-2.46**	22.92	4.64	-2.20**	-1.15
	C	32.63	8.13	4.59**	21.88	6.89	-2.22**	5.73**
	D	23.92	9.29	-0.57	27.00	7.19	1.36	-1.80
2. Organizational Leadership	A	13.88	7.74	-7.04**	27.08	8.33	1.23	-5.32**
	B	24.75	7.41	-0.17	21.46	7.87	-2.21**	2.44**
	C	40.17	11.64	6.38**	27.58	11.33	1.12	5.39**
	D	20.79	9.51	-2.17**	23.88	9.82	-0.56	-2.80**
3. Management of Employees	A	10.83	6.02	-11.53**	33.13	8.82	4.51**	-9.33**
	B	15.63	3.93	-11.68**	21.67	5.45	-3.00**	-5.80**
	C	50.75	14.64	8.62**	17.08	4.40	-8.81**	9.98**
	D	22.79	12.46	-0.87	28.13	7.49	2.04	-1.98
4. Organization Glue	A	25.63	5.58	0.55	32.29	6.08	5.88**	-10.25**
	B	22.29	6.08	-2.18**	21.88	5.67	-2.70**	1.00
	C	27.29	5.31	2.11**	22.29	5.10	-2.60**	7.43**
	D	24.79	6.99	-0.15	23.54	7.29	-0.98	2.76**
5. Strategic Emphases	A	17.33	6.57	-5.72**	29.17	7.76	2.63**	-6.03**
	B	16.75	6.56	-6.16**	17.92	6.06	-5.72**	-2.03
	C	48.04	9.48	11.91**	33.71	8.90	4.79**	6.94**
	D	18.50	7.68	-4.14**	19.21	6.07	-4.67**	-0.61
6. Criteria of Success	A	15.33	6.77	-7.00**	26.88	6.22	1.48	-5.60**
	B	17.33	5.31	-7.08**	18.58	5.79	-5.43**	-1.66
	C	44.38	11.82	8.03**	32.75	8.02	4.73**	5.53**
	D	22.96	9.29	-1.08	21.79	7.77	-2.02	1.16
(A) Mean of clan		17.43	8.09	-6.98**	29.46	7.81	5.99**	-9.95**
(B) Mean of adhocracy		19.77	6.80	-5.23**	20.74	6.16	-4.80**	-1.79
(C) Mean of market		40.54	13.33	13.53**	25.88	9.75	0.99	12.84**
(D) Mean of hierarchy		22.29	9.43	-2.03	23.92	8.1	-1.10	-2.67

Explanation: Under current and ideal values, t is the one-sample t -statistic, while the difference column represents paired t -statistics. The character "***" indicates a significant value at the 5% level.

Source: Author's own research results

3.C: "Tough competition, high expectations and result orientation." According to the employees, for this statement an ideal value would be both significantly lower than the current situation, and also lower than the average value.

In terms of the average of the 6 dimensions, I discovered (see the last four rows of *Table 2*) that the culture of the service organization's employees was perceived as more market-oriented and less clan-like. The ideal culture would be considered clan-like and hierarchical, and with fewer market and adhocracy characteristics. The current and ideal value of the clan and the market differed significantly. A more clan-like culture than the current one, and a less market-like one would be ideal; this finding was similar to previous research (Ližbetinová, L. at all, 2016) carried out on logistics companies.

The results of the OCAI survey are illustrated with a radar-diagram (Figure 2).

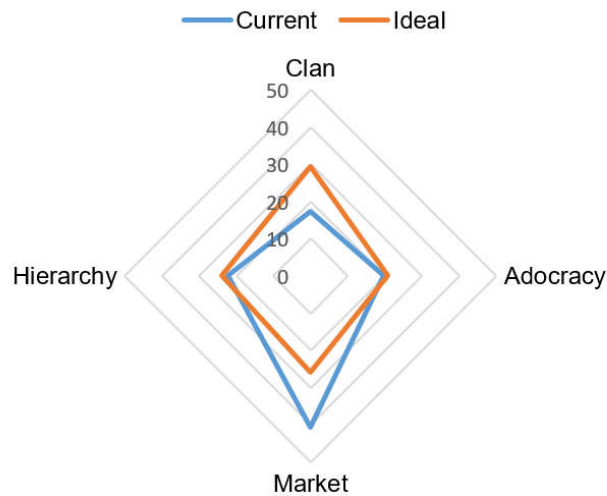


Figure 2: The current and ideal organizational culture among employees of the service company

Source: Author's own research results

The current culture perceived by employees can be described in the following terms:

- Dominant characteristics: performance and task-oriented to an average degree, but it is less direct, more family-friendly and less innovative.
- Leadership: Leaders are perceived as more pro-active and aggressive, and less helpful and supportive and more innovative than static.

- Management of Employees: competition and performance are significantly higher than average; however, teamwork and participation are less typical than average.
- Organization Glue: Rather a market and hierarchy culture.
- Strategic Emphasis: Performance and competition are also strong here.
- Criteria of Success: The market and the hierarchy play a bigger role.

The culture considered ideal by the respondents is different:

- Dominant Characteristics: Characterized by a more direct, family-like spirit, with lower performance orientation; control and structuring are even more powerful.
- Leadership: Efficient operation comes to the fore against innovation; performance orientation is lower, but still higher than in the clan
- Management of Employees: not characterized by tough competition and performance expectations.
- Organization Glue: An above-average commitment to the team and little focus on performance and goal achievement.
- Strategic Emphasis: Strong emphasis on performance and competition, albeit to a lesser extent.
- Criteria of Success: The market and the hierarchy play a bigger role, just like in the current culture, although the proportions change.

5. In conclusion

Based on the above, I obtained answers to my research questions (Q1, Q2). According to the employees of the service organization I investigated, the present culture is more market-like than the others (Q1), while the culture considered ideal by the respondents would change to a clan-like one and would remain hierarchical (Q2).

The divergence from the market is marked; respondents think the organization should move towards the clan. As for the details, the responses suggest that the move from market to clan would be desirable in each of the first, third and fourth divisions; the proportions in the third and the last two divisions have changed significantly, but the market is still stronger, and in terms of hierarchy-adhocracy, only the proportions change in the second division, where the current culture is considered less smooth, and the more efficient organization is the ideal.

The fact that respondents want, for example, a lower result orientation is not necessarily an ideal intervention, as we are dealing with a profit-oriented, service organization. It may even mean that the values of the employees are not in harmony with the basic values of the organization, and an attempt must be made to change the former. What can be deduced as a conclusion is that there seems to be a difference between employee perceptions and desires, something that the organization's management may want to consider when making decisions about culture.

Within the framework of this research, or research into other organizations with similar results, it may be worth examining in a separate research study, whether the values that are considered dominant are in line with the values the management wants to develop, and whether the values considered ideal are in line with the values required by the management. Depending on the needs of the organisation's leaders, it may be worth examining in the framework of comparative research carried out in several organizations whether there is a statistical link between organizational culture and performance as is described in the literature.

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