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# THE ORGANIZATIONAL CULTURE DIMENSIONS – THE CASE OF AN INDEPENDENT PRIVATE UNIVERSITY IN MACEDONIA

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Abstract. The objective of this study is to explore how the organizational culture as one of the most vital elements of any organization affects the success of an organization. In recent years, the organizational culture has become one of the most important areas of research. Researchers simultaneously examine the concept of organizational culture in different environments in order to develop credibility and productivity in the workplace. The effectiveness of a university and how well it operates depend, to a large extent, on how the university culture is formed. This research examines and takes in consideration the 6 Hofstede's cultural dimensions: process-oriented versus resultsoriented; employee-oriented versus job-oriented; parochial versus professional; open system versus closed system, loose versus tight control, and normative versus pragmatic. The paper determines the dimensions that better represent the organizational culture of an independent private university. The study attempts to explain the effect on this university's culture, as well as the implications in administering this system which contributes in fulfilling the mission and vision, as well as its impact in developing and realizing the strategic objectives of the university itself.

#### JEL classification: C88

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## 1. Introduction

Corporate culture refers to the way the members of an organization behave in accordance with what they believe and value, and in accordance with the organization's goals and objectives. The organizational culture is very important since it guides the success and the performance of any organization towards the attainment of its objectives. The organizational culture is very important for universities as it helps them have effective management practices (Beytekin, et al., 2010).

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According to Camerer and Vepsalainen (1988), a corporate culture is a set of broad tacitly understood rules which lead employees performing tasks that occur under different circumstances. A corporate culture specifies tasks and rules in an organization, which helps managers solve eventual problems (Camerer & Vepsalainen, 1988). Nevertheless, the management of culture refers to implementing and updating elements of the existing culture, or changing the outdated culture (Schein, 1992).

A successful organisational culture needs to support the business in which the organization is (Tichy, 1982). Values and beliefs of internal stakeholders greatly affect the decision-making process in universities, and at the same time shape the individual and organizational behavior (Bartell, 2003). There are different stakeholders coming from different backgrounds. The different background of employees characterizes universities by disciplines and cultural diversity (Bartell, 2003).

It is important to be aware of the fact that when the term culture is used, it also means the subcultures that exist at all university levels. Thus, the overall culture of a university is influenced by administrative subculture, faculty subculture, and student subculture (Adams, 2014, p.6).

Organizational culture develops and manifests itself in different ways in different universities. Accordingly, universities should not only define their culture, they should also use and change it, as well as adjust it to the environmental changes.

This study mainly deals with the role of organizational culture as it defines the values and beliefs of the administrative and academic staff based on Hofstede's dimensions of organizational culture. A university culture is composed of shared values and processes that need to be in line with university goals and objectives. Therefore, this study will analyze the type of corporate culture shared by the members of the university. The six Hofstede's cultural dimensions: process-oriented versus results-oriented; employee-oriented versus job-oriented; parochial versus professional; open system versus closed system, loose versus tight control, and normative versus pragmatic are analyzed in order to find out if these dimensions are in line with university management's goals and objectives.

The organizational culture can be considered as a frame that has a very strong impact on decision makers. Within this framework, the paper attempts:

- to explore how the university members perceive the cultural dimensions of the organisation,
- to explore the university members' preferences for the cultural dimensions,
- to identify the strategies used by the institution in dealing with its environment and customers.

To analyze the university culture, the research relies on data collected from the academics and the administrative staff using a structured questionnaire.

The study aims to answer the following research questions:

1. What are the characteristics of the organizational culture of the surveyed independent private university?

2. How do the members of the university perceive the organizational culture?

### 2. Literature Review

Culture as a concept is used to denote different meanings in different disciplines, and due to its complexity, it is not easy to define. There have been many attempts in different disciplines, such as anthropology, sociology, and business to define the organizational culture. For example, from the anthropologists' perspective it represents the customs and rituals developed by societies (Schein, 2004). During the last decade researchers and leaders have continually explored the concept of organizational culture in different environments. Most of the scholars and academics agree that organizational culture is important for organizations. There are differencies when it comes to defining it because of the approaches that they take. Schein (2004) defines it as a pattern of shared basic assumptions that the group acquired them while solving problems during external adaptation and internal integration. These patterns have worked well enough to be considered valid and, therefore taught to new members as the correct way to perceive, think, and feel in relation to those problems.

Based on the study of the Australian public service, O'Farrell (2006) concluded that "statements of values, codes of conduct, principles of public service management and so on set out in rules and regulation are simply rhetoric" (p. 8). However, Watson (2006) argues that, the most important trend of management thinking in the lastest years is the encouragement of managers to create a strong culture for organizations.

In this context, Kuh and Whitt (1988) define culture as "persistent patterns of norms, values, practices, beliefs, and assumptions that shape the behavior of individuals and groups in a college or university and provide a frame of reference within which to interpret the meaning of events and actions on and off the campus" (p.6).

Geert Hofstede defines culture as "the collective programming of the mind which distinguishes the members of one group or category of people from another" (1991, p.5). Thus, organizations are made of people who share common values and have their own organizational culture.

Hofstede (1997) developed six dimensions of culture discussed below:

## • Dimension 1: Process oriented Vs. Results oriented

This dimension represents a preference towards processes or results. As the name implies, a process oriented culture focuses more on technical and bureaucratic routines. In contrast, a result oriented culture focuses more on achieving the desired results and outcomes in order to meet the objectives of the company. Thus, in process oriented culture, people perceive themselves by avoiding risks and making only a limited effort in their jobs, —each day is pretty much the same. Results oriented people perceive themselves as comfortable in unfamiliar situations—each day brings in new challenges (Hofstede, 1997).

## • Dimension 2: Employee oriented Vs. Job oriented

This dimension represents the preference of the culture towards employees or the job. Employees in cultures that are people oriented feel that their personal problems are taken into account and that the organization takes an obligation to take care of employees' well-being. On the other side, people in job oriented cultures experience a strong pressure to complete the job and perceive the organization as only interested in the work (Hofstede, 1997).

## • Dimension 3: Parochial Vs. Professional

This dimension represents the way the members of an organization identify themselves. Members in organizations with professional culture, tend to identify themselves primarily with their professions. Members of parochial culture feel the organization's norms cover their behavior on the job as well as their home (Hofstede, 1997).

### • Dimension 4: Open system Vs. Closed system

In open systems, members consider both the organization and its people. They are opened to newcomers and outsiders. In closed systems, the organization and its people feel closed, even among insiders (Hofstede, 1997).

## • Dimension 5: Loose control Vs. Tight control

This dimension represents the amount of internal structuring in the organization. Employees in loose control units have more autonomy and different departments may operate without much coordination between each other. People in tight control units describe their work environment as closed. Supervisors know exactly what employees do, and management can coordinate all the activities of different departments according to a central strategy (Hofstede, 1997).

### • Dimension 6: Normative Vs. Pragmatic

This dimension represents methods used by an organization in dealing with its environment and customers. To normative cultures people, following organizational procedures are more important rather than following the results. To pragmatic cultures people, following results and meeting customer needs is more important (Hofstede, 1997).

The culture of a university is a special type of organizational culture where values, beliefs and fundamental assumptions are considered common by the members of the university (Salonda, 2008). The culture of a university is formed by members who act as a group in line with the university's values in order to achieve its objective. In essence the university culture stems from three main sources: the beliefs, values and assumptions of the founders of the organization, and the experience of the group members during the evolvement of the organization. The culture of a university is created by the new beliefs, values and assumptions brought by new members and leaders.

According to Schein (1994), leaders are those who play a crucial role in shaping and strengthening a university culture. In a study conducted by Cameron and Freeman (1991) which compared cultures of 334 institutions of high education, found that the type of culture possessed by a university has an important relationship to the effectiveness, as well as to the organizational attributes.

Thus, a successful organizational culture needs to be in line with the university's goals and objectives. In the case of a university, all stakeholders must share the same values and beliefs that are culturally accepted by the university.

### 3. Methodology

The main purpose of this paper is to identify the importance of organizational culture and the extent to which employees share the common values of a university. It also compared the university's values to Hofstede's dimensions. The paper uses both primary and secondary data. The primary data are collected through a structured questionnaire, while secondary data are collected from secondary sources (books, textbooks, online articles, journals, and university websites).

The questionnaire includes statements related to Hofstede's six dimensions of organizational culture. The questionnaire was sent to 80 participants and distributed through the university's email accounts. Out of the 80 distributed emails 52 (40%) of the respondents replied to the survey. The questions asked respondents to rate the extent to which the administrative and academic staff shared the same values at their university. Specifically, questions assessed organizational effectiveness based on six Hofstede's dimensions. The structured questionnaire gave respondents the opportunity to indicate the type of culture that characterized the organization as it relates to Hofstede's six dimension.

The validity of statements that were included in the questionnaire were tested by SPSS software program. The research should reveal the organizational culture shared by its employees compared to Hofstede's cultural dimensions.

### 4. Data Presentation and Analyses

This section includes a systematic presentation of data obtained from the survey on the role of organizational culture in the fulfillment of the university's objectives. It also shows how the respondents' answers relate to Hofstede's cultural dimensions.

Table 1 provides the descriptive statistics of the respondents.

Individual characteristics		Frequency	Percentage
Gender	Male	35	67.3
	Female	17	32.7
Age	25-30	8	15.4
	31-35	15	28.8
	36-40	15	28.8
	41-45	4	7.7
	46-50	5	9.6
	More than 50	5	9.6
Education	Faculty	18	34.6
	Master	18	34.6
	Doctorate	16	30.8
Employment status	Academic staff	20	38.5
	Administrative staff	32	61.5

**Table 1.** Demographic characteristics of respondents

### 4.1. Hofstede's Cultural Dimensions

Employees were asked to answer the structured questionnaire indicating the degree to which they agree with statements related to Hofstede's cultural dimensions. Employees were asked to answer the statement from the questionnaire by using a five point Likert scale : *1*= *Strongly disagree, 2*= *Disagree, 3*= *Neutral, 4*= *Agree, 5*= *Strongly agree* 

#### • Process oriented versus results

Table 2 below shows the results of employees' response to the question on the university culture as it relates to process or result orientation.

Table 2. Process oriented versus results oriented

	N		Std. Deviation
Q1. The staff always gives the maximum in their duties.	52	3.97	.99
Q2. We often face new challenges at work.	52	4.00	1.01

This dimension represents a preference for a culture towards processes or towards results. This dimension shows the opinion of the respondents concerning the inclination of their university culture being more inclined towards processes or more towards achieving results.

Table 2 shows that the staff always gives the maximum in performance of their duty with a mean of 3.97. This means that employees are more focused on processes, i.e., their duties. Concerning the second question of this dimension, that is whether the staff often faces challenges, it can be noticed that the majority of respondents agree with this statement that the staff often faces new challenges at their work, with a mean of 4.0.

Taking in consideration process oriented versus results dimension, as well as the mean value of responses from employees, it can be concluded that the staff is focused on achieving specific results, i.e., university goals and objectives. Namely, providing a multilingual and multicultural approach to teaching and research, and by developing study programs according to the broad European and international standards (<u>http://www.seeu.edu.mk/en/about</u>).

## • Employee oriented versus job oriented

Table 3 below shows the results about employees' responses regarding the university culture towards employees or towards jobs.

 Table 3. Employee oriented versus job oriented

	N	Mean	Std. Deviation
Q3.The university cares only for the work that the staff performs	52	3.57	1.06
Q4. The university cares very little about the personal problems of the staff	52	3.21	1.17
Q5. A very little attention is paid to the working environment	52	3.38	1.36
Q6. The management pays more attention to operational issues and less on managerial issues	52	3.92	.92

This dimension of organizational culture is mostly related to the philosophy of management. There are four statements in the questionnaire mainly related to this dimension. It shows whether a university culture is more employees oriented or more job oriented.

As it can be seen on table 3, the results show that the university cares only about the work performed by the staff, with a mean of 3.57 of responses. The staff also thinks that the university is not concerned about the personal problems of the staff, but about the work performed by the staff. The mean response to this statement is 3.21.

The next two questions from this dimension are related to the level of attention that management pays to the working environment of employees and the level of attention that management dedicates to the working environment. The results, with the mean 3.38, show that respondents do not think that the university pays attention to the working environment. In terms of how much attention management pays to managerial and operational issues, the respondents' means is 3.92. Thus, the participants think that the university's management pays more attention to operational issues and less on managerial issues.

In sum, taking in consideration the dimension in question, it can be concluded that the organizational culture of the university represents a culture where the management cares more about the work of staff rather than the staff. Moreover, staff members continue to feel that their personal problems are not properly considered by the management of the university.

## • Parochial versus professional

Table 4 below shows the results of employees' responses regarding the way members of university identify themselves with their profession or with the organization.

### **Table 4.** Parochial versus professional

	N	Mean	Std. Deviation
Q7. Cooperation and confidence between departments is at an appropriate level	52	3.92	1.17
Q8. Changes are implemented in coordination with the staff requirements	52	3.42	1.32
Q9. Our management attempts to support staff in further promotion	52	3.57	1.36
Q10. We always get feedback from supervisors for our performance	52	3.85	1.09
Q11.Supervisors are mostly interested on the undertaken initiatives than the results	52	3.54	1.13

This dimension of culture deals primarily with long-term or short-term orientation of employees. There are five statements for this dimension that employees need to assess depending on the level of compliance. The results in table 4 show that respondents agree that there is confidence and cooperation between departments with a mean of 3.92 of their answers. Respondents with a mean of 3.42 think that changes are implemented in coordination with the staff requirements. Majority of respondents with a mean of 3.57 think that the management of the university makes effort to support its staff in their further promotions. Furthermore, the results show that respondents with an average statement of 3.85 agree with the fact that supervisors offer them feedback. Concerning the statement that the supervisors are mostly interested in taking initiatives than in results, it can be seen from the result in table 4 that respondents agree with a mean of 3.54 in their responses.

Based on the mean scores of responses received, it can be concluded that the university is focused on professionalism, where each employee considers the personal life as an issue that belongs only to them. Employee selection is based on the competences they possess. Thus, the orientation of the organizational culture is related more with professional dimension because the members tend to identify themselves primarily through their professions.

## • Open system versus closed system

Table 5 shows the results of employees' responses regarding the way the members of university identify themselves with their profession or with the organization.

### Table 5. Open system versus closed system

	N	Mean	Std. Deviation
Q12. We are open for the new staff and for the jobseekers	52	3.50	1.31
Q13. New staff quickly finds support to adapt at work and within the team	52	3.83	1.16
Q14. New staff needs only a few days to adjust to the working environment	52	3.92	1.06

This dimension has to do with the openness of the university to newcomers. The results for the first question show that the university is always open and interested in new staff – the mean 3.50 score from the respondents who agreed with this statement. The results also show that respondents agree with the second statement with a mean of 3.83. Furthermore, the results for the last statement with a mean of 3.92 show that the new staff needs only a few days to adapt to the working environment.

Based on the results for this dimension, it can be concluded that the university's organizational culture is completely oriented to open system. The newcomers are welcomed, which means everyone adapts quickly to team work, and needs only a few days to become fully integrated into the university environment.

• Loose versus tight control

Table 6 shows employees' response regarding the amount of internal structuring in the organization.

	N		Std. Deviation
Q15. We always come late at the during the appointed time of the meetings	52	3.30	1.55
Q16. We very rarely bring to mind the work costs (materials, equipment, etc.)	52	3.14	1.38

 Table 6. Loose versus tight control

The fifth dimension of Geert Hofstede refers to the internal structure, control and discipline. The first statement of this dimension deals with delays during meetings. The results obtained from table 6 show that respondents agree with a mean score of 3.30 that they come late to meetings. The results from the second statement show a mean score of 3.14 that employees very rarely bring to mind the work costs. Based on the responses that correspond to the level of compliance, it can be said that current organizational culture of the university, is oriented to be more flexible because employees do not think too much about the costs, and there is flexibility towards deadlines in the workplace. This means that employees feel comfortable and relaxed in their working environment.

## • Normative versus pragmatic

Table 7 shows employees' responses regarding the methods used by the organization in dealing with its environment and customers.

## Table 7. Normative versus Pragmatic

	N		Std. Deviation
Q17. The university does not give very significant contribution to the society	52	3.60	1.41
Q18. We are more pragmatic than dogmatic	52	3.60	1.04

The last dimension of Geert Hofstede's organizational culture to be examined is whether the university is oriented towards normative or pragmatic approach. The majority of respondents, with a mean score of 3.60, think that the university does not provide a very significant contribution to society. The means score 3.60 on the last statement of the questionnaire regarding whether the university is more pragmatic than dogmatic. The culture of the university is seen as being more pragmatic than dogmatic, where the main focus lies on the fulfillment of needs of customers, i.e. students.

# 4.2. The Reliability Statistics

# The Cronbach alpha

Cronbach's alpha is a measure of internal consistency, that is, how closely related a set of items are as a group. It is a measure of scale's reliability.

## Table 8. Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.789	.791	18

The alpha coefficient for the eighteen items is .789, suggesting that the items have relatively high internal consistency. The reliability coefficient of .70 or higher is considered "acceptable" in most social science research situations.

### 5. Conclusions

The culture cannot be created individually, therefore a university culture cannot be formed by individuals, but it can be formed collectively by accepting the values that play a crucial role in creating and building a university culture. First of all, the corporate culture that makes SEE University represents a multiethnic understanding, multilingual and multicultural approach to teaching and research.

Secondly, SEE University staff continues to respect the standards of communication in order to achieve the qualitative communication with students, the staff, and with other university stakeholders. SEE University aims to enforce satisfaction, the quality of communication standards between administrative and academic staff, as well as fulfilling the expectations of students. In addition, SEE University culture is based on the three main sources, such as: beliefs, values and assumptions of the founders and the experience of the group members.

The obtained results of employees also demonstrate that SEE University makes a combination of Hofstede's dimensions, but the focus is more on achieving specific goals and results. The staff members continue to feel that their personal problems need to be considered more by the university as a responsible body for the welfare of its employees.

Thirdly, the current SEE University organizational culture is focused on professionalism and toward the opened system, where each employee considers their personal lives as an issue that belongs only to them. The selection of employees is based on the competences they possess, which means that the orientation of SEE University organizational culture aims at long-term period and professionalism. Newcomers are immediately welcomed, which means everyone adapts quickly at team work, and they need only a few days to become fully integrated into SEE University.

Fourthly, the current SEE University organizational culture is flexible towards deadlines and the prevalence of informality in the workplace. Employees feel comfortable and relaxed in their working places. Finally, the current organizational culture of SEE University is pragmatic where the main focus lies in the fulfillment of needs of customers, i.e. students, and the results are more important than the correct procedures. In terms of business ethics, a pragmatic attitude dominates.

However, this survey does not take into consideration all employees of the SEE University. Thus, any increase in the sample would enhance even more the validity of the results, which also would serve for comparing the SEEU organizational culture, with other universities, whether private or public, and to see more closely the implications of Hofstede's dimensions with university practices.

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