

Theory of organizational culture

[Business](#), [Organization](#)



It should have made clear and obvious that sustained profitability and high financial turns are not enough to survive and remain successful in today's highly competitive markets because there is considerable evidence of conflicts and misunderstandings caused by cultural differences. Therefore it is sensible that firms need to understand their own and other firms' organizational culture and need to adjust their ways and traditions while conducting business with other firms, organizations or individuals with different cultural values.

1. Generally, in lay man terms, culture in an organization can be answered as simple as 'the way we do things here'. This defines the consistent way in which the tasks were reformed, conflicts were resolved and how customers and employees were treated. In a more articulate manner, an organizational culture can be defined as a core values that defined that particular organization itself. It comprised of its member shared values, behaviors, beliefs and teamwork that guide and determine the organization decisions and actions and how it behaves in the local as well international market.

1. 3 Why Does it Matter?

In the context of whether it matters or not, an organizational culture is something that cannot be easily capture or define but at the same time it is not something that NY of the organization should take for granted. Many anthropologists and coaches had noticed that ineffective leadership tends to be the major factors of an organization diminishing and weakening (Alveolus, 2002). Rolling back to the Ancient Rome era, the great empire had endured a series of terrible emperors. Due to the culture and structure of the empire was great enough; the tide was often overcome even after decades long.

However, one cannot be in denial that without a strong top leadership eventually would be the cause of the fall of even the great empire. 1. 4

Understanding the Organization Culture There is proverb that goes " When in Rome, do as the Romans do". The essence of this is that blending oneself into the foreign environment. Every organization is unique in nature; which is to say the culture of an organization may vary from one another despite having the same nature of business or having the same geographical locality.

Even in cases where top managers have strong awareness of the significant of culture, there is often the case that lack of understanding on how the people and organization function in terms of culture. It is normally difficult to attain high level of cultural awareness to decide actions. Understanding organizational culture is essential as a way of understanding the organizational life in all forms and variations (Rachel Parker). Section 2: The Types of Organizational Culture 2. Types Organizational Culture There are few quadrants to be relating to where most of the organizations will fall organization feels comfortable to operate in. However it should be noted that none of the quadrants is inherently better than one another Just as there is no culture is necessarily better than another (Tarp). 2. 1. 1 Control (Hierarchy) This culture focused on stability and control in the organization. It strongly emphasized on standardization, integration as well as the decision making mechanism.

This means there is layers of management for the decision to go through before the final decision is made. One of the giant companies that practices

this pattern of organization culture is Ford Motor Company; they have seventeen levels of management. Government agencies are also well to be associated with this type of culture.

2. 1. 2 Compete (Market) This type of culture focusing on external orientation rather than internal and they emphasized on differentiation greatly than anything else. This culture concentrates on competitiveness and productivity through emphasis on partnership.

2. 1. 1 Collaborate (Clan) Collaborate approach emphasize more on flexibility and discretion over stability and control. The total opposite of individualism, this culture give due credits to team work. Take for example; the Japanese firms have strong Collaborate culture among themselves. They appreciate cohesion, loyalty, and group commitment, and therefore they operated more like families than a team.

2. 1. 4 Create (Autocracy) In this value matrix, they value flexibility and discretion however not to the extent of sharing the inward focus. Instead this culture focused on flexibility and adaptability.

This is essential in thriving in the world that many would view as impossible. Google is a good example of a prototypical autocracy organization. Their ability to capture market share has made them leaders in the marketplace and eliminating competition among the industry players.

Section 3: The Patterns of Organizational Culture

3. 1 The Cultural Patterns in Construction Industry Due to the rapid internationalization of the construction industry, there is a growing of interest in developing a deep understanding in the organizational culture and how it can be implemented in this competitive market.

It appears that one of the reasons for why the organizational culture gained importance is because more construction companies are conducting business in international markets. (Low, 2001) In addition to the emphasis put on the internationalization of the construction business, the adversarial relations between different stakeholders is considered to be the sensitivity of different project participants to cultural differences which have a culture is claimed to be an effective way to respond to the environment; thus achieving a superior performance.

Considering the hyper-turbulent environment and fragmented nature of the construction industry; understanding and managing organizational culture is of particular importance in enhancing organizational performance (Ankara, 2005). 3. 2 The Organization Culture in Malaysian Construction In Malaysian construction industry, Malaysian contractors shared the same views that the project culture plays enormous impact on the construction project control dimensions such as time, cost, quality and loyalty.

In Malaysian construction industry, there are few types of culture that are being practiced by many of the construction firms. These cultures are presented in the below table: Types of Culture Tiger Culture Monkey Culture Rabbits Culture Elephant Culture Dragon Culture Definitions Competitive and Achievement Orientated Teamwork and loyalty Flexibility and creative Strong hierarchies and order Combines the disparate and beneficent attributes of lesser beings into one of extraordinary capability and power

Table 1 : Types of Cultural Practices in Malaysia Based on the current research paper produced by C.

Wang and H. Abdul Raman (Raman, 2010), the findings below has shown that the " Monkey Culture" is insider as the most applicable type for the organizational culture in Malaysia. Figure 1: Applicable cultural practices Through the questionnaire survey forms collected from this research, Malaysian contractors have ranked that teamwork and loyalty as highly important in an organization culture. Therefore this has puts " Monkey Culture" above the rest of the other cultures.

In contrast with the US firms which very often considered as individualistic, the Malaysian contractors are very similar to the Japanese culture in the sense of the Japanese has always been a collectivist culture and communities hat put group's welfare over any own individual welfare. The Japanese companies have successfully created an environment and culture where the sense offamilyhas greatly prevails among the employees. Take for example, Toyota, one of the Japanese cars manufacturers, has provided a day-care center for young mothers who wish to work.

While the Malaysian contractors have not gone to the extent of creating the family culture in their practice, they have emphasize strongly on good teamwork and coordination between the management and the employees. Figure 2 below shows the analysis extracted from the Hypotheses dimension on Malaysia's organizational Figure 2: Hypotheses Dimension: Malaysia dimension namely Power Distance Index (PDP), Individualism (DVD), Masculinity (MASS) and Uncertainty Avoidance Index (AJAX).

The fifth dimension which is not included in this analysis is found later after the implementation of the four dimensions. The fifth dimension is the Long-

term Orientation (L TO). As shown in Figure 2, individualism (DVD) has ranked the lowest among the rest dimensions. This shows that Malaysian do not prefer to work alone. Malaysian in fact are very social community and they also practice collectivist culture like the Japanese do. This applies in the case of the construction industry. All members work in a team and like a team.

The Project Manager needs his subordinates to cooperate with him in order to get the project running and this applies to the subordinates as well. Like the proverb goes " No man is an island". Therefore, Malaysian construction industry sees this as an important elemental culture that should not be ignored. During the tenure of Tuna Dry Mathis Mohammad as the Malaysia's fourth premier way back in the asses, Dry Mathis has ladled for the citizens of Malaysia to practice the " Look East Policy'.

He considered that the secret of Japanese success and its remarkable development lies in its labor ethics, morale, and management capability. For this purpose, Malaysia decided to dispatch their students to Japan, to study not only academics and technical know- how but also to learn labor ethics and discipline of the Japanese people. One good example of the Japanese culture that should be implemented in the Malaysian construction industry would be the Japanese strong sense of family.