Organizational Culture as the Primary of the Construction of Organizational Strategy

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Abstract-Organizational culture is the primary in the act of resolving any problem occurs in the organization and is closely related to the success of the organization to accomplish its purposes. As an organizational healthcare, ATKP Surabaya Medical Center carries an organizational culture which influences the performance and service quality of its employees. This research aims to identify and map the organizational culture in ATKP Surabaya Medical Center. The design of the research is a descriptive research with a quantitative approach applying the OCAI (Organizational Culture Assessment Instrument). The population in the research is 16 employees of ATKP Surabaya Medical Center while the sampling technique applied is total sampling. The result of the research shows that the perception of the employees upon the organizational culture in ATKP Surabaya Medical Center at the time is dominated by Hierarchy Culture, whereas the organizational culture expected in the future is Clan Culture. The difference of the perception upon the current organizational culture and the future expectation could become a consideration for the leader to construct a strategy by implement the expected organizational culture in accordance with the organization's purposes.

Index Terms-Organizational culture; strategy; OCAI.

1. INTRODUCTION

Clinic, as an organization serving in healthcare, must have purposes to be accomplished. To achieve those purposes, the clinic should give a qualified service for its patients. In fact, a qualified service is strongly influenced by the performance and the service quality of the employees. On the other hand, employees' performance and service quality depend on the perception of the employees upon the organizational culture in the clinic.

ATKP Surabaya Medical Center is an organization in healthcare which performs as a primary healthcare facility and specifically serve the students of Aviation Polytechnic of Surabaya. This clinic is under the supervision of the Ministry of Transportation, especially the Department of Human Resources Development in Transportation. Located in the area of Surabaya Aviation Polytechnic, the clinic's main purpose is to keep up the health of the students of the campus. As an organization, the clinic also embodies the values of organizational culture which influence the attitude, the performance, and the service quality of its employees.

Any organization cannot be same for years. The capability, competence and efficiency of the human capital determines the success of any organization. There is always a need for change and development which leads to the evolution of the concept of corporate culture. People have started believing that culture should be included in changing organizational structure and processes. Extensive evidence has been emerging that proves that the successful implementation of Total Quality Management and downsizing program along with organizational effectiveness on its performance depended on the strategies embended in the cultural change[1].

Every organization must expect each of its employee to implement every cultural value established in the organization. Holding a crucial role in determining the life of an organization, positive tone in an organizational culture could positively influence the commitment of the employees to the improvement of the organization, and vice versa. Employees' productivity tends to be lower as there is no positive value to be followed to improve their performance[2].

Organization's culture can be guided and influenced by the policies, practices, skill, and procedures that are implemented and reinforced. The roots of organization's culture are driven by the founder's and senior leaders' values, the culture of the nation, and the particular industry and business environment. Culture can connect employees. The only way to change the culture is to change the individuals perform on a daily basis[3].

Organizational culture could be described as a unity of people having the same purpose, believes, and values. It is expected that every member of the organization understands it and implements it as the primary in every action taken to resolve any occuring problem. The ability to embody the culture will support the gradual growth of the organization. One of the methods to describe the organization's culture is by applying Organizational Culture Assessment Instrument (OCAI).

International Journal of Research in Advent Technology, Vol.6, No.4, April 2018
E-ISSN: 2321-9637
Available online at www.ijrat.org

As an istrument, OCAI is a framework that is developed based on the primary indicators in an effective organization. The instrument provides any information about the current and the expected organizational culture, which could become the basis of the arrangement of the better culture to achieve the purposes of the organization[4]. Using the instrument, a leader could have a specific benefit which is to be able to earlier identify the culture applied in the organization, from which any condiseration about improvement in the future could be made. The leader could use the instrument to evaluate how the culture influences the process of achieving the organization's purposes[5].

A culture is never good or bad for any organization. Rather, it is either suitable or not to be applied in the organization. If an organization embodies a suitable culture, the management will not need to change anything but to focus on the preservation of the values. If there is an error found in the basis of the organization's cultural values, improvement should be performed in order to achieve the betterment of the organization in the future. Therefore, it is essential for every organization to specifically understand its culture. It is impossible for any organization to implement a single organizational value because commonly, every organization implement merged-cultures with one dominating[6]. This kind of culture is what is found in ATKP Surabaya Medical Center.

This research aims to identify and map the organizational culture embedded in ATKP Surabaya Medical Center. It is expected that this research would provide a description about the profile of the current organizational culture in ATKP Surabaya Medical Center and help to identify the organization's cultural values that should be improved to construct a new strategy to overcome any problem occurs at the present time and in the future. The result of the research could become the basis to improve the performance of the employees as well as the service quality in ATKP Surabaya Medical Center.

2. RESEARCH METHOD

The research design is a descriptive research with quantitative approach. The research flow consists of data collection, data analysis, and concluding. The data was taken using the OCAI questionaire given to all of the employees in ATKP Surabaya Medical Center.

2.1. *Data Collection*

2.1.1. *Data Type*

The data used in this research are the primary data. The researcher collects the primary data from the employees of ATKP Surabaya Medical Center. The primary data in this research are the answer of the questionaires answered by the staffs and leader of ATKP Surabaya Medical Center.

2.1.2. *Population and Sample*

The population in this research is all employees including staffs and leader working in ATKP Surabaya Medical Center. The total of the population is 16 which consists of 15 staffs and 1 leader. The researcher employs total sampling as the sampling technique.

2.2. *Data Analysis*

This research uses OCAI (Organizational Culture Assessment Instrument). The instrument is a questionaire consists of six questions representing six dimensions of cultural organization as follows[4]:
(1) Dominant Characteristic.
This point describes the condition of the organization's environment. It questions the feeling of the employees when they are in the environment. The answer of the question will reveal the description about the dominant culture appear in the organization and what culture the employee truly expect to be in the organization.
(2) Organizational Leadership.
This point describes the leaderhip model in the organization through the preception of the employees upon the current leadership model. The answer of the question will reveal the description of the culture that becomes the basic of the current leadership model and what kind of leadership model the employees expect to be in the organization.
(3) Management of Employees.
This point describes the management of employees in an organization. The answer of the question will reveal the culture that bases the management of the employee in the organization.
(4) Organizational Glue.
This points describe the factors that encourage the employees to be in the organization which is the mechanism that bonds the employees to be a unity. The answer of the question will reveal the

International Journal of Research in Advent Technology, Vol.6, No.4, April 2018
E-ISSN: 2321-9637
Available online at www.ijrat.org

culture that become the factor that bonds the employee to unite.

(5) Strategic Emphasis.

This point describes the emphasis on the strategy carried out by the organization. The answer of the question will reveal the dominant culture influencing the strategic emphasis.

(6) Criteria for Success.

This point dercribes the benchmarks of the organization's success. The answer of the question will reveal the dominant culture influencing the criteria of the organization's success.

In the questionaire, the respondents are instructed to give score to every cultural dimension based on the current condition and the expected condition in the coming 5 years. Every question has four alternative answers. The highest score is to be given to the answer which is best at describing the condition of the organization. The total answer of all questions should be 100.

2.3. *Concluding*

After the score is analysed, the conclusion could be drawn by taking one of four most dominant organizational culture, which are[7]:

(1) Clan Culture.

Characterized by a friendly place to work that feels like an extended family. Leaders are thought of as mentors and perhaps even as parent figures. The organization is held together by loyalty and tradition. Commitment is high. The organization emphasizes the long-term benefit of individual development, with high cohesion and morale being important. The organization places a premium on teamwork, participation, and consensus.

(2) Adhocracy Culture.

Characterized by a dynamic, entrepreneurial, and creative workplace. People stick their necks out and take risks. Effective leadership is visionary, innovative, and risk-oriented. The glue that holds the organization together is commitment to experim entation and innovation. The emphasis is on being at the leading edge of new knowledge, products, and services. Readiness for cheang and meeting new challenges are important. The organization's long-term emphasis on rapid growth and acquiring new resources.

(3) Market Culture.

Market Culture is a results-oriented workplace. Leaders are hard-driving producers and competitors. They are tough and demanding. The glue that holds the organization together is an emphasis on winning. The long-term concern is on competitive actions and achieving stretch goals and target. Outpacing the competition and market leadership are important.

(4) Hierarchy Culture.

Characterized by a formalized and structured place to work. Procedures govern what people do. Effective leaders are good coordinators and organizer. Maintaining a smooth-running organization is important. The long-term concerns of the organization are stability, predictability, and efficiency. Formal rules and policies hold the organization together.

All of the answers from the questionaires are analised and the scores are summed up to find the average value of every answer A (Clan), B (Adhocracy), C (Market), or D (Hierarchy). The summation is also categorized into the current cultural condition and the expected cultural condition. The highest average value reveals the tendency of the organizational culture. The result then being visualised into a radar-type chart in Microsoft Excel.

3. RESULT AND DISCUSSION

Organizational culture is essential in determining the success of the organization. Not only does an organization become the mean for its members to fulfill their needs and to achieve their goals, but its culture also influences the performance and the attitude of the members. A powerful organizational culture will be able to grow a sense of belonging in the employees which eventually affects the quality of the service given to the customers. Organizational culture is relevant to the strategic decision of the organization. Organizational culture can affect the innovation or imitation orientation of the organization both positively and negatively[8].

The result of the research shows that practically, the most dominating culture in ATKP Surabaya Medical Center at the present time is Hierarchy Culture. Based on the scores in the leader's questionaire, hierarchy culture dominates 38% more than any other culture, while the staffs' scores shows that the culture dominates 33% more than the others. The result depicts that at the present time, all of the employees agree that ATKP Surabaya Medical Center is a formal work place where everything should be well-structured. Any working process is regulated formally and systematically. Leader is the coordinator controlling and managing the efficiency. Maintaining the continuity of the organization is primary, therefore

International Journal of Research in Advent Technology, Vol.6, No.4, April 2018
E-ISSN: 2321-9637
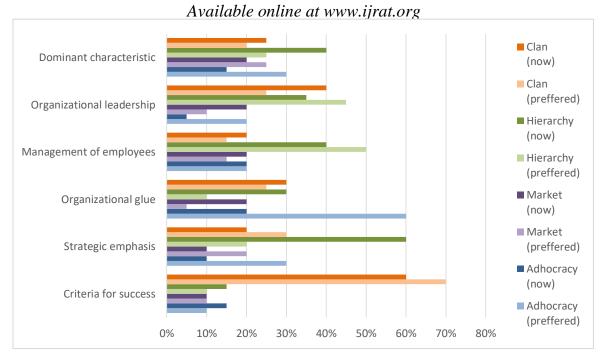*Available online at www.ijrat.org*

Fig. 1. The comparison of the organizational culture in ATKP Surabaya Medical Center from the leader's point of view.
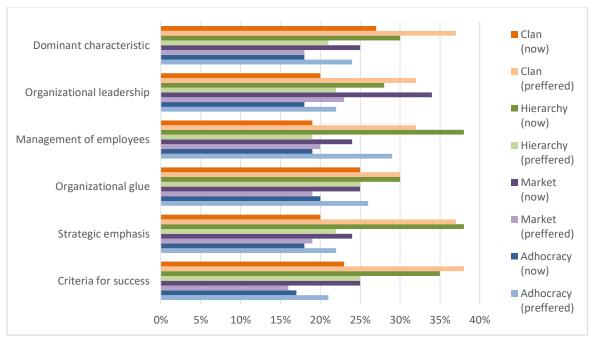

Fig. 2. The comparison of the organizational culture in ATKP Surabaya Medical Center from the staff's point of view.

a centered and strict control is applied by enforcing a formal procedure for every activity.

The management of employees dimension also shows that Hierarchy culture dominates ATKP Surabaya Medical Center, where the management demands the obedience to every stably organized procedure and bureaucracy. It is possible that the domination of hierarchy culture is influenced by the bond of the clinic to the supervising instancies, i.e. the Health departement and even the Ministry of Health. Following the procedures is important to avoid the chance of malpractice from happening.

International Journal of Research in Advent Technology, Vol.6, No.4, April 2018
E-ISSN: 2321-9637
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On the contrary, the employees expect Clan Culture to dominate the organization in the future. They wish ATKP Surabaya Medical Center would be a pleasing work place with a sense of kinship. They want the leader to be a mentor, a facilitator, a counselor, and a protector. They want the organization to be open and is willing to involve its members to work as a team. Loyalty, credibility, and commitment are the qualities that the organization is demanded to have. It meets the success criteria expected by all of the employees that in an organization dominated by
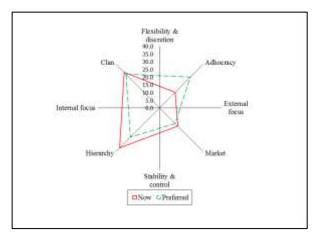

Fig. 3. Organizational culture from the leader's point of view.

Clan Culture, the organization is said to be successful when it can fulfill the need of its employees which results in the better cooperation in the team and the higher commitment of the employees to the organization.

On the other hand, the leader doesn't have the same expectation about the implementation of Clan Culture, with only 31% of average score value. The leader tends to expect the balance with Adhocracy Culture (29%). The tendency is depicted by the leader's dominant characteristic expecting the domination of Adhocracy Culture in the future (30%). However, sole domination of formal rule is not expected, for the leader also expects dinamic and enterpreneurial atmosphere in ATKP Surabaya Medical Center to encourage the employees to take initiatives and get involved in improving the clinic's quality. It corresponds to the previous research stating that adhocracy cultures foster an innovation orientation while hierarchy cultures are associated with imitation[8].

The leader's expectation is also revealed by the high scores on the other cultural dimensions, which are organizational glue (60%) and strategic emphasis (30%). The leader expects commitment and innovation to become the glue in the organization. Innovation and invention are expected to be the breath of the organization together with the improvement in

the quality of the human resources. In addition, reliability and receptivity between the employees are also important to bring the organization into betterment. It is shown in Fig. 1., in which the leader gives the same portion of strategic emphasis dimension in Adhocracy Culture and Clan Culture. This condition is reasonable because the greater the number of the students in the polythechnic, the bigger the responsibilities that the clinic holds. More responsibilities means that the possibility upon the emersion of new issues and complications becomes
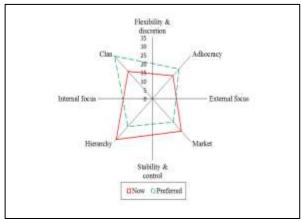

Fig. 4. Organizational culture from the staff's point of view.

higher, thus, breakthrough solutions are essentially needed.

The difference in the perceptions of the leader and the employees upon the method to unite the organization shows that there is no sinergy between the components in the organization, hence a further communication to avoid disintegrity form emerging is needed. To realise the organization's plans and programs, it is necessary to firstly unify the perceptions of its components. Without a strong bond between its components, ATKP Surabaya Medical Center will not be able to operate maximally.

An interesting poin appear in the organizational leadership dimension. The leader points that the current leadership style in the clinic is dominated by Clan Culture (40%). The leader feels that he has acted as a guiding mentor, a facilitator, and even a protector for the employees. As the result, in the future the leader expects Hierarchy leadership (45%) to be implemented in the organization. Within Hierarchy Culture, the leader will be able to emphasis on controlling the employees to improve the efficiency in the organization.

In contrary, the employees believe that the current leadership mode is closer to Market Culture, in which the leader is agressively setting a target while challenging the employees' maximum performance to achieve it. In the future, the employees expect that the leadership model will shift into Clan Culture. The

International Journal of Research in Advent Technology, Vol.6, No.4, April 2018
E-ISSN: 2321-9637
Available online at www.ijrat.org

condition implies that the employees expect contentment in the clinic so that the service quality will improve. The different perception between the leader and the employees appears likely because of the lack of evaluation. In the future, the leader should pay more attention to employees perception so a better framework could be constructed in order to improve the service quality.

The different perception in various cultural dimensions between the leader and the employees should be overcome by improving the communication quality and combining the ideal cultures in ATKP Surabaya Medical Center at the present time and in the future. That the current culture and the ecpexted culture are different, should also become the consideration for the leader to construct a better strategy in a more suitable organizational culture accordance with the organization's purposes.

Research reveal the significant correlation between strategic emphases among culture and implementation of the strategy. Findings can advice thoughtful manager to consider all dimensions of their organization's culture in order to successfully implement the strategy, simultaneously urge them to lead the organization through flexible cultures[9].

After the cultural organization embedded in the clinic revealed, it is expected that in the future, there will be an improvement in the communication to unify the perceptions about the success benchmarks in order to construct a better strategy so that the organization could accomplish its purposes[10]. The employees need to understand the organizational culture embedded so they could synchronize their perceptions and the cultural values of the organization. When the employees are able to understand and adapt with the cultural values, the contentment will be achieved and in further, the loyalty will also improve. In addition, the employees will optimize their performance which results in the improvement of the service quality. The result of the improvement will be the organization's success in accomplishing its purposes[11].

Organizational culture, as the dominating value in an organization and the basic philosophy for the employees to carry out their jobs, is a guideline for the arrangement of the organizational policy to manage its employees and to serve its customers based on the purposes of the organization. Understanding that organizational culture is the primary influence for the employees' performance and that there are differences in the perceptions of the employees upon the current culture and the culture they expect in the future, it is expected that ATKP Surabaya Medical Center constructs strategies accommodating the values that are suitable for the customers as the external part and for the employees as the internal part.

4. CONCLUSSION

The different perception between the leader and the employees upon several cultural dimensions in ATKP Surabaya Medical Center needs to be overcome with a good communication and kind attitude from the leader for the improvement of the organization. Since it is revealed that the current organizational culture is different from the expected one, the leader could construct strategies that are able to accomodate the perception of the employees as the internal part and the need of the students of the Polytechnic as the external part. The commitment of the employees in ATKP Surabaya Medical Center is essentially needed to improve the performance and the service quality, which can be achieved through the adjustment of the organizational culture to become more suitable with the situation faced by the organization at the present time and in the future.

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