

Impact of Organizational Behaviour on Organizational Culture

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Abstract

Culture directs the way of thinking about man, it forms the frames of what is considered as the way of realisation of humanity. In the studies of management, the attention is on organizational culture. Organizational cultures are only a small part within a bigger cultural context and that the customs from the outside permeate inside in a visible way. [1] Managing organizations which function in culturally heterogeneous conditions requires not only the knowledge of the language or customs of other cultures, but also more subtle abilities, based on emotions: tolerance, openness and acceptance. [2] Changing the business behaviour by prioritising sustainability was proved to be an intelligent solution to social, environmental, as well as economic issues. Sustainable business nature must begin with modifying vision, values and belief system given these elements constitute the elements of organizational culture. A study was conducted within twenty-eight organizations from the Republic of Moldova with the objective of identifying the optimal organizational culture pattern for increasing the level of sustainability. Quantitative research is based on the method of questionnaire, which was applied to a number of 300 employees from the same companies. The organization culture was analysed according to the Competing Values Framework (CVF) by Cameron and Quinn (2011), which is one of the most influential and extensively used models in the area of organizational culture research. Studies found companies dominates hierarchy type of

organizational culture. The obtained results prove that organisational culture is a factor which has a considerable impact on the company's behaviour and long-term Sustainability.

Keywords: organizational culture, cultural dimensions, identity, organisational citizenship behaviour, organisational politics, employee perceptions, universalism.

Introduction

The ability to introduce various concepts and business models is nowadays a prerequisite of the successful growth of enterprises' competitiveness. The rhythm of changes that happen in the economic, social, technological and cultural environment, as well as the complexity of these modifications require a bigger effort to maintain competitiveness than it did a few decades ago. The success of any organisation essentially depends on the performance of its employees. Increasingly more organisations commit to socially responsible practices, acknowledging that corporate social responsibility (CSR) drives company-favourable outcomes and reaps the greatest benefits for organisations. Generally, CSR refers to the relationship between organisations and society, which denotes the organisation's actions to balance the financial performance, impact on society and impact on environment. Meanwhile, employees are relatively highly salient stakeholders to whom the organisation owes a perfect duty. Despite the growing number of the related studies, the focus is mainly on the examination of the way the employee perception of CSR influences the employee attitudes, such as organisational commitment or job satisfaction. Excellent performance on the part of employees is ideally voluntary and is not included in their officially contracted tasks. This phenomenon is called 'organisational citizenship behaviour'. OCB as 'employee behaviour that is relatively discretionary and contributes to the maintenance and enhancement of the social and psychological context that supports task performance'. By closing the gap between company's performance and effect of values, the paper, drawing on Schwartz's value theory, explores the impact of universalism values on employee OCB. If a company sets the objective of facilitating sustainability, which entails more complex changes, it requires starting with the organisational culture. The aim of the paper is to outline the issue of the impact of organisational

culture on the development of the concept of open innovation in the sector of small and medium-sized enterprises.

The Importance of Organisational

Culture and Group Identity

Ule (2000) and Junji (1993) have provided a thorough overview of various approaches to the phenomenon of identity. The issues about the nature of identity, about how identities are created, reproduced and transformed within the global context have been extremely complex. Although the issue of organisational culture is a quite frequent subject of scientific discussion, an insufficient number of publications that combine the term with the concept of open innovation can be seen. "Organisational culture creates behaviours stemming from cultural norms that promote behaviours which are a result of formal norms of the organisation and which complement, modify or represent them, or constitute their complete opposite". The fundamental premise for this is that individuals' feeling towards any relationship rely mainly on the outcome of that relationship. Where organisations and their employees enter into a reciprocal relationship, the organisation needs high performance and loyalty from employees, while the latter desire both tangible and intangible benefits. In his view, group identity is closely related to general 'typicalness' that requires individuals' subordination to commonalities (or at least similarities) of the group or individuals belonging to it. The idea of sameness and continuity has prevailed in many organisations and that it has strongly influenced authors dealing with organisational culture. An attempt to organise the concepts of organisational culture was made by L. Smircich (1983, 1987, pp. 339-358), who provided three possible methods of perception of this phenomenon. organisational culture is an independent variable, which is important for the study of the relationships existing between culture and the elements of the management

process. Often, making an attempt to explain a given phenomenon, one refers to culture, assuming that each organisation creates a specific culture whose elements, i.e., values, norms, behaviour patterns, symbols and myths, help to differentiate it from other organisations. These elements shape specific relationships between employees, between employees and the management as well as between the organisation and the environment, in response to the changes, allowing to distinguish members of one organisation from another. The main objective for the present study is to build a model and find an empirical and conceptual linkage between the organisational culture dimension and OCB. Despite the fact that the impact of organisational culture on its performance is treated otherwise in the speciality literature, it is still overall accepted that organisational culture is one of the main factors that make a difference in terms of managerial practices performance.

Organisational Citizenship Behaviour (OCB)

The constantly increasing interest in OCB has stemmed from the belief that such behaviour enhances organisational effectiveness. OCB reduces conflict and encourages teamwork, thereby increasing organisational effectiveness and productivity. Civic virtue and conscientiousness are key to mutual assistance and teamwork in the workplace, improving organisational performance. However, for better understanding of OCB it is important to translate the construct into practical examples. In doing this, Lin et al. (2010) argues that volunteering for extra works, helping others in their job, cooperating with others or orienting new staff are cases of OCB. Summing up, these discretionary behaviours are not explicitly required but are implied; they are not formally rewarded but are informally recognised (Banwo and Du, 2020).

Organisational Politics (OP)

As with organisational culture, organisational politics can be defined in a number of ways. However, there are two main perspectives. Political behaviour relates to the broad domain of interpersonal relationships. The need for innovation and constant change relies on behaviours beyond what is written in job

descriptions. The need for such extraordinary behaviour is essential, not just for innovation but also for survival. According to Organ (1997), the dimensions of OCB are altruism, courtesy, cheerleading, peacekeeping, sportsmanship, civic virtue, and conscientiousness. However, is the idea that OCBs are employee behaviours that, although not critical to the task or job, serve to facilitate organisational functioning'.

Development of Hypothesis

Leslie and Gelfand (2012) suggested two main propositions based on Hofstede's culture theory.

H1: Cultural dimensions have a significant relationship with organisational politics.

H2: Organisational politics has a negative influence on OCB.

Methods

Participant and Data Collection Procedure

The present study was conducted in the banking industry in Amman, Jordan. The research team obtained a permission to disrepute the survey in 15 banks (all located in the capital city Amman). Accordingly, participants were senior-level employees at 15 banks.

The response rate was 76% (543 respondents). Of these responses, 532 were usable for further analysis. The respondents' average age was 31.4 years. Of the 532 usable responses, 62% came from male employees. The organisational tenure of the respondents was 4.4 years on average. In terms of educational level, 79% held a Bachelor's degree, 15% held a Master's degree, and 6% held a PhD.

Organisational Politics (OP)

'Favoritism rather than merit determines who gets ahead around here' and 'There is a group of people in my department who always get things their way because no one wants to challenge them.' The reliability coefficient was 0.90.

Organisational Culture (OC)

In terms of organisational culture, we used measures suggested by Hofstede (2001). For this

construct, 16 items were used with four different subscales: 1) Power distance ($\alpha = 0.91$), 2) uncertainty avoidance ($\alpha = 0.94$), 3) collectivism ($\alpha = 0.93$), and 4) masculinity vs. femininity ($\alpha = 0.92$). The reliability of the 18 items was 0.81. Examples of the items were: 'My manager makes most decisions without consulting subordinates', 'I would be willing to consider taking a new and comparable job if it were offered today or tomorrow', and 'I would not get the proper opportunity if I left my current organisation'.

Organisational Citizenship Behaviour (OCB):

We used eight items to measure OCB with a scale developed by Lee and Allen (2002). Examples of the items are: 'Attends functions that are not required but that help the organisational image', 'Helps others who have been absent' and 'Assists supervisor with his/her work (when not asked)'. The reliability for this scale was 0.88.

Table 1: Convergent Validity "Cross Loading"

Construct	CR	AVE	Item	Cross-loading Construct					
				COL	MAS	OCB	POP	POW	UA
Organisational Citizenship Behaviour (OCB)	0.92	0.60	OCB1	0.45	0.25	0.81	0.45	0.06	0.37
			OCB2	0.42	0.25	0.83	0.44	0.09	0.4
			OCB3	0.28	0.28	0.79	0.35	0.07	0.21
			OCB4	0.3	0.23	0.73	0.28	0.07	0.29
			OCB5	0.24	0.27	0.76	0.26	0.1	0.31
			OCB6	0.20	0.32	0.74	0.27	0.1	0.21
			OCB7	0.23	0.21	0.76	0.27	0.12	0.3
			OCB8	0.24	0.29	0.77	0.31	0.12	0.22
Organisational Politics (OP)	0.94	0.78	OP1	0.48	0.37	0.42	0.87	0.11	0.58
			OP2	0.55	0.35	0.40	0.87	0.15	0.61
			OP3	0.57	0.39	0.37	0.92	0.04	0.54
			OP4	0.51	0.37	0.42	0.87	0.01	0.46
			OP5	0.65	0.43	0.36	0.87	-0.04	0.49

Table 2: Discriminant Validity

		Correlation (*square root of AVE for each construct)					
Construct	AVE	MAS	POW	OCB	POP	COL	UA
POW	0.80	0.36	0.89*				
OCB	0.60	0.34	0.40	0.77*			

The main objective of the research was to determine the relationships between the employee perceptions of CSR towards four stakeholder groups, universalism values and OCB.

Data collection took more than 2 months. At the end of the research, 301 questionnaires were collected and, according to the number of employees in Lithuania (approx. 1,267,000), such amount of responses reflected an acceptable bias of 5.5%, which indicated the reliability of the data (confidence level of 95%).

Table 3 Provides the Respondents' Profile

Table 3. Respondents' profile		
Characteristics	Frequency (n)	Percentage (%)
<i>Gender</i>		
Female	187	62.1
Male	114	37.9
<i>Age</i>		
18-25	161	53.5
26-32	42	14.0
33-41	34	11.3
42-52	46	15.2
53-65	18	6.0
<i>Working time in a particular organisation</i>		
Up to 1 year	41	13.6
1-3 years	64	21.3
3- 5 years	116	38.5
More than 5 years	80	26.6

Between the analysed companies, the most seldom met is adhocracy as a type of organisational culture, only (21,40 out of 100). This means that entrepreneurship, dynamism and creativity are less appreciated in companies. In the companies where the key values are

honesty, mutual respect, moral rectitude and integrity, all the pre-requisites are encouraging a more creative and responsible behaviour from the staff regarding the existing problems, regardless of their aspect.

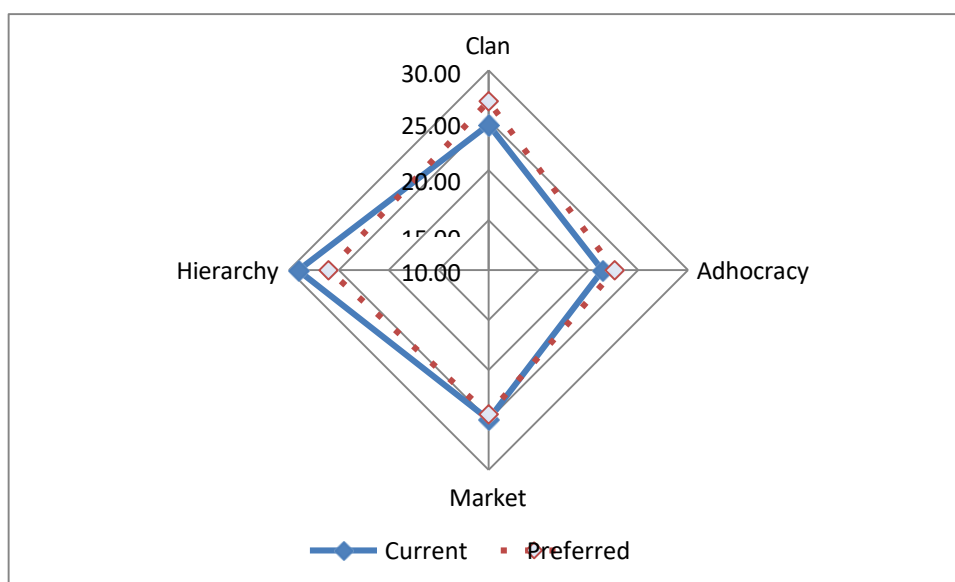


Figure 1. The organisational culture within the analysed companies

The results of the study are presented in Figure 4 regarding the respondents' preferences towards the existing culture. The next stage of the proposed research consists in analysing the

correlation between the organizational culture type and sustainability level within the surveyed companies. A comparative analysis of these two aspects is presented in Figure 2.

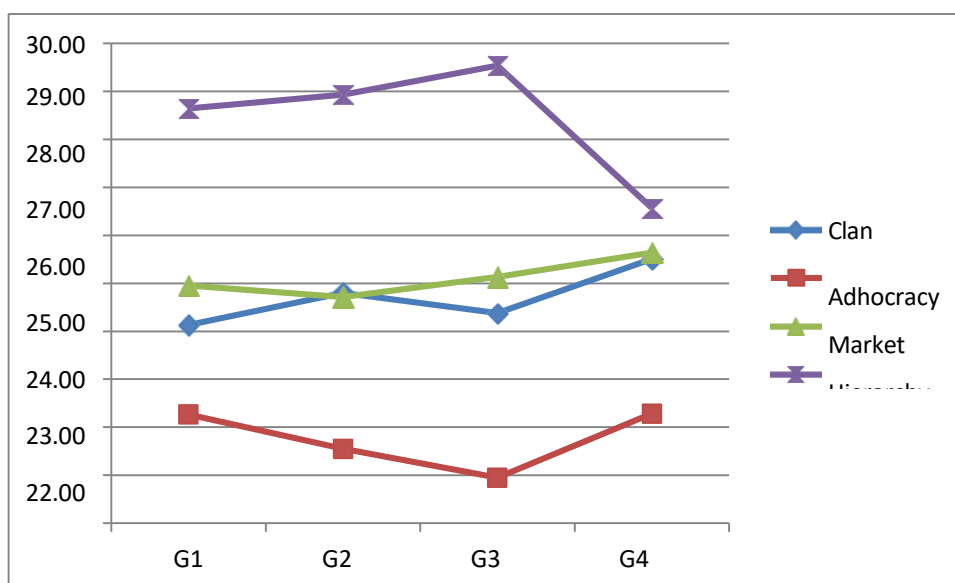


Figure 2.

The correlation between the organizational culture type and sustainability level within the surveyed companies

According to H. Chesbrough (2006, p. 22), the model of open innovation is based on the following principles:

1. Innovative solutions can be found literary everywhere.
2. creating a better business model is more important than being first in the market
3. Innovative ideas must be also sought and acquired outside the enterprise.

The main assumptions of model open innovation model are shown in figure 3.

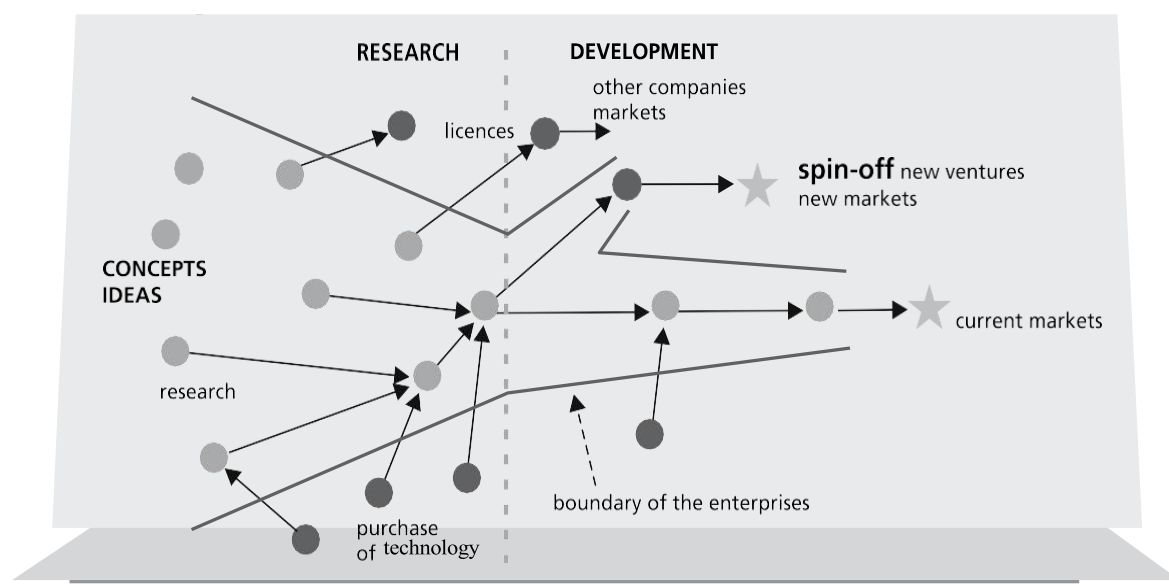


Figure 3. Open Innovation Model

Source: Santarek 2008, p. 37

Conclusion

In the final, analysis using the corporate sustainability evaluation pattern can offer numerous advantages, namely: comparative analysis of the performances obtained by different companies from the perspective of sustainable development. Changing organizational culture can be seen as part of a complete transformation. To conclude, developing a suitable organisational culture is a must for the organisations searching for competitive advantages. The relationship between the employee perception of CSR, their OCB and universalism values and the results demonstrated that employee perceptions of organisations implementing socially responsible practices towards employees, customers, government, and social and non-social stakeholders lead to a greater exhibition of OCB by employees. The paper has certain limitations that suggest the directions for future research. It might be impossible to generalise the outcomes of the research to other geographic contexts. The key question in the present study was as follows: do cultural dimensions make an essential contribution to OCB through affecting POP? The study examined how perceived organisational politics can mediate the relationship between organisational culture and organisational citizenship behaviour, with OP found to have a negative effect on OCB.

In order to implement open innovation, enterprises need to effectively manage their own growth through the preparation of appropriate strategies and the development of a model that encompasses all changes, taking into account a number of factors related to the growth dynamics of the sector. The aim of the paper is to outline the issue of the impact of organisational culture on the development of the concept of open innovation which is OCB or organisational behaviour. The organisation's identity is not something stable and taken-for-granted. It is being re-created and re-shaped not only because of external influences but also through people's knowledge, experiences and their personal beliefs. Organisational identity or culture is not only important for their members in its symbolic sense. It may be understood as a significant strategic advantage on its behaviour because it

represents a source for creating understanding, credibility and support among key stakeholders.

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