Chapter 9

Conceptualizing Organizational Culture and Theories

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Introduction

No doubt there are elements that can influence the human resource management on organizational survival. Among these are; the concept of organizational climate was formally introduced by the human relationists in the late 1940s. Organizational culture is a set of shared assumptions that guide what happens in Public agencies by defining appropriate behavior for various situations (Ravasi & Schultz, 2006). Organizational culture affects the way people and groups interact with each other, with clients, and with stakeholders. Also, organizational culture may influence how much employees identify with their organization (Schrodt, 2002).

Now it has become a very useful metaphor for thinking about and describing the social system. Organizational climate is also referred to as the situational determinants or Environmental determinants which affect the human behaviour.

Culture of a public agencies is somewhat like the personality of directors. Just as every director has a personality that makes him or her unique and different from other directors. Each agency has an organizational culture that clearly distinguishes it from other agencies.

Basically, the organizational culture reflects a director's understanding of the agency to which he or she belongs. It is a set of unique characteristics and features that are perceived by the directors about their agencies which serves as a major force in influencing their behaviour. Business managers are essential to the creation and communication of their workplace culture. However, the relationship between leadership and culture is not one-sided. While leaders are the principal architects of culture, an established culture influences what kind of leadership is possible (Schein, 2010). Culture of an organization acts as a uniting force among members of an organization and provides them with a sense of identity. Culture can be among the greatest assets that an organization possesses and if clearly defined, can give an organization a competitive advantage over their competition. Culture can become a liability for a company when the rules and boundaries established by the culture do not advance the effectiveness of the organization. In these instances, culture becomes a barrier to change. This usually happens to established companies with strong cultures that are suddenly forced to operate in an unfamiliar and rapidly changing environment. Thus, organizational culture in a deep sense, can be understood as the social setting of the agency.

Characteristics of an Organizational Culture:

- Innovation and risk taking. The degree to which employees are encouraged to be innovative and take risks.
- Attention to detail. The degree to which employees are expected to exhibit precision, analysis, and attention to detail.
- Outcome orientation. The degree to which management focuses on results or outcomes rather than on technique and process.
- People orientation. The degree to which management decisions take into consideration the effect of outcomes on people within the organization.
- Team orientation. The degree to which work activities are organized around teams rather than individuals.
- Aggressiveness. The degree to which people are aggressive and competitive rather than easygoing.

- Stability. The degree to which organizational activities emphasize maintaining the status quo in contrast to growth.

Organizational Embeddedness Theory

Embeddedness is the process by which social relations shape economic action in ways that some mainstream economic schemes overlook or miss-specify when they assume that social ties affect economic behavior only minimally (Uzzi 2000). That means for organization to survive it rest on team work or networks of the employees. Hager (2004), argue that linkages to the broader environment are essential for organizational survival. Given it fit, organizations that are likely to survive within a given population of organizations will, of important, must be concentrated on the population of the employees and clients of the FIRS. This is ground on the theory of organizational Embeddedness is built.

According to Uzzi (2000) organizational Embeddedness is that economic action is embedded in social relations which sometimes facilitate and at other times derail exchange. That means, the implication of this, is that organizations that are not embedded in their population are vulnerable.

Thus, organizations strive to develop dense webs of exchange, to facilitate with centres of power, and to acquire an aura of inevitability (Hager 2004). According to Azoulay (2000) argues that, embededdness facilitates the transfer of fine-grained information, joint problem-solving agreements, and coordinated adaptation among other factors. Organizational embededdness theory has implications for understanding the role of social relationships in economic engagements. Which studies on social capital that enhanced with the application of the Embeddedness perspective. Uzzi (2000) emphases this view by identity which is an element of embeddness relationships assigns value to transaction and enriches the social capital of exchange partners in a network.

Classical Organizational Theory

Effective strategic leadership requires the leader to have a range of behaviors and the wisdom to select the right behavior for the situation. Competent people are critical to all organizations as they offer different types of skill, attitudes and behaviors. The Classical Organizational Theory brought a deeper understanding on the complex nature of organizations.

The behavioral imperatives for innovation include behaviors such as experimentation, risk taking, accepting failure as normal, project management and team work that lead to the birth of new ideas as well as behaviors that lead to developing new ideas into usable products or services that can be delivered to the market in a timely manner (Jackson and Schuler, 2003).

The proponents of the classical organizational theory wanted to identify principles and skills that underlie effective management. This model emphasized the role of administrative management and concluded that all activities (eg, technical, commercial, financial, security, and managerial) that occur in organizations are interdependent and that it is the role of management to ensure that all activities are working smoothly to achieve the objectives of the organization.

Sound management falls into certain patterns that can be identified and analyzed (Stoner, James. A.F,1995).This model has practical sense in the Ministry for Home Affairs in that it helps to ensure a clear division of labor, hierarchy of authority, a formal selection process free from graft and corruption manipulation, grooming of career managers who will transform the Ministry and formal rules regarding the conduct of officials in their lines of duty. A clear and logical application of the classical organizational model is an answer to the non-compliance to set down guidelines on transfers, selection and training of staff.

Leadership Development Theory

Transformational leadership has been found to produce improved employee outcomes in many different types of organizations (Louw and Venter, 2006) and consists of what Trevor Amos, (2006) citing Bass and Avolio (1994) call the **four I's**: idealized influence, inspirational motivation, individualized consideration and intellectual stimulation.

Danie Maritz, (2006) argue that for leaders to become more competitive and effective, they need to be successful in developing the behavior and characteristics of transformational leadership. To enforce sound human resource management practices requires the leader to have a range of behaviors and leadership styles and will insist on adherence to these important practices.

The leadership development theory is cross-cutting and essential in all levels of the Ministry for Home Affairs because of the likely impact it would make delivery of service to the public. This theory puts more emphasis on transformational leadership as a skill just like any other because management in the process of ensuring observance to universal human resource management practices would need that technical competence to guarantee that performance, evaluations, recruitment and selection, training and development and promotions are done entirely on the bases of merit.
This leadership development theory identifies seven leadership styles and classifies them as either transactional or transformational leadership (Trevor, Amos, 2006). Transactional factors include contingent reward and management-by-exception. Contingent reward (CR) is an active and effective component of leadership as it is where the leader compensates or rewards a subordinate appropriately for meeting agreed-upon objectives.

Management-by-exception passive (MBE-P) occurs where leaders react and intervene in the work of subordinates only once mistakes occur or when standards are not met. Management-by-exception active (MBE-A) occurs where the leader actively monitors and seeks out deviations and mistakes in the work of subordinates in an attempt to avoid mistakes. The leader will intervene personally to take corrective action.

This approach tends to generate tension and fear. Management by-exception active is more active and more effective than management-by-exception passive. Bass and Avolio (1994) also point to laissez faire (LF) which is an absence of leadership. It is a leadership behavior that is both passive and ineffective as the leader remains uninvolved and avoids leading.

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