

## ALIGNING THE ORGANIZATIONAL CULTURE WITH THE CHALLENGES OF GLOBAL COMPETITION: CASE STUDY AT A PUBLIC SERVICE ORGANIZATION IN INDONESIA

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### ABSTRACT

*In an effort to begin a teambuilding and organizational development program to meet the challenge of global competition, organizational culture was identified for study. This study will provide insight into the organizational culture type exhibited by a certain public service organization in Indonesia. The overall purpose is to describe the dominant culture type of the organizational culture in both the current and preferred situations, using the Organizational Cultural Assessment Instrument (OCAI) developed by Cameron and Quinn (1999). The result of this study shows that the organization personnel exhibited a Hierarchy culture type as dominant in the current and a Market culture type as dominant in the preferred situations.*

*Key words: Organizational Culture, OCAI, Dominant Culture.*

### 1. INTRODUCTION

In an increasingly global competition, providing goods and services that people want is more vital to the future prosperity than ever. To meet this challenge, every organization has to undertake aggressive innovation agendas that focus not only on product innovation, but also on service, business model, business process, management and organizational culture innovation.

The concept of culture is particularly important when attempting to manage organization-wide change. Practitioners are coming to realize that, despite the best-laid plans, organizational change must include not only changing the structures and the processes, but changing the organizational culture as well. In order to make a cultural change effective a clear vision of the organization's new strategy, shared values and behaviours is needed. This vision provides the intention and direction for the culture change (Cummings & Worley, 2005).

Measuring organizational culture is the first step to successful, sustainable change. It shows where a team or organization is currently and where they want to go. It's very instructive to discover numerous

subgroups and find out where for instance executives and employees differ. That gives ideas on what to do next: what exactly do employees expect, how could executives make the change program better, and how to overcome resistance.

### 2. THEORETICAL BACKGROUND

Basically, organizational culture is the personality of the organization. Culture is comprised of the assumptions, values, norms and tangible signs (artefacts) of organization members and their behaviours (Hill and Jones, 2001).

Culture is one of those terms that are difficult to express distinctly, but everyone knows it when they sense it. In some cultures, for example, creativity is stressed. In others, the status quo is valued. Some cultures are more socially oriented, while others are task-oriented, "business only" environments. In some cultures individual achievement is encouraged and valued, while in others the organization's teamwork is the key (McNamara, 2000).

Kim Cameron and Robert Quinn (1999) have developed an organizational culture framework built upon a theoretical model called the "Competing Values Framework." The Competing Values Framework has