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# **DIAGNOSING THE ORGANISATIONAL CULTURE OF AN AUSTRALIAN ENGINEERING CONSULTANCY USING THE COMPETING VALUES FRAMEWORK**

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# DIAGNOSING THE ORGANISATIONAL CULTURE OF AN AUSTRALIAN ENGINEERING CONTRACTOR USING THE COMPETING VALUES FRAMEWORK

## ABSTRACT

To operate successfully, a commercial organisation must satisfy the ever-changing demands of its clients, its owners, its employees and society as a whole. To do this, it must have a good understanding of its *persona* as perceived by its own members and the entities it deals with. This *persona*, or image an organisation presents of itself, and the way in which it is perceived by its external environment and its internal members, is commonly referred to as its *Corporate Culture* (Deal and Kennedy, 1982; Silverzweig and Allen, 1976). The tangible aspects include corporate logos, uniforms and clothing, office layout, use of “in-vogue” technology and business processes, while behavioural indicators can include relative importance of social issues and norms such as time keeping, and adherence to prescribed procedures.

This paper describes research within a single, large, Australian Engineering, Procurement and Construction management consultancy aimed at identifying the form of its current corporate culture and the extent to which this is perceived to be appropriate by those involved. Using Quinn and Rohrbaugh (1983) Competing Values Framework, the overall cultural profile of the organisation and dominant characteristic traits is determined through an in-house electronic survey employing the *Organisational Cultural Assessment Instrument*. This indicated that, the company has a dominant market-oriented culture. In contrast, the most desired form was found to be the employee focused culture – indicating a misalignment between what employees thought was needed and what was perceived to exist. This finding is considered in the light of recent reports identifying the detrimental effect of market-oriented cultures, and the supporting role of employee focused cultures, in achieving construction project quality outcomes.

**Key Words:** Competing Values Framework, Corporate Culture, Cultural Profile, Organisational Culture.

## INTRODUCTION

For long term viability, a commercial organisation must satisfy the ever-changing demands of its clients, its owners, its employees and society as a whole. Recent research in Australia also suggests the existence of a positive link between an organisation’s culture and success through innovation (Gray *et al*, 2003) and better quality management (Thomas *et al*, 2002). To successfully manage a firm’s organisational culture, involves a good understanding of the company’s *persona* as perceived by its own members and the entities it deals with (Schein, 1984). This *persona*, or image an organisation presents of itself, and the way in which it is perceived by its external environment and its internal members, is commonly referred to as its *Corporate Culture* (e.g., Deal and Kennedy, 1982).

Empirical studies of corporate culture have been carried out across various countries and industries (e.g., Dastmalchian *et al*, 2000), and in the construction industry in the context of productivity (e.g., Arditi and Mochtar, 2000), safety (e.g., Lin and Mills, 2001), quality management (e.g., Yasamis *et al*, 2002), partnering (e.g., Wilson *et al*, 1995), the role of women (e.g., Gale, 1994), human resource management (e.g., Druker *et al*, 1996), national culture (e.g., Ang and Ofori, 2001), information and communication technology (e.g., Love *et al*, 2001), project management (Winch *et al*, 1997), etc. Little is known, however, of the particular characteristics of corporate culture *per se* in the construction industry, although Thomas *et al* (2002) suggest that, as the ad-hoc nature of construction work generally precludes the use of accurate methodical performance measures, a more employee-focused internal orientation is commonly predominant and more conducive to success as this typically gives employees a high degree of professional freedom and flexibility and allows them to determine their own work-life balance. This tends to provide a partnering approach towards internal production and external relationship issues with the company developing a self-motivated learning culture that is challenge rather than task-driven.

This paper describes research within a single, large, engineering consultancy aimed at identifying the form of its current corporate culture and the extent to which this is perceived to be appropriate by those involved. Using Quinn and Rohrbaugh (1983) Competing Values Framework, Thomas *et al*'s (2002) result is shown to apply to a lesser extent than expected, with the company studied being currently much more highly market/results oriented than employee focused. In contrast, however, the most appropriate form was found by those involved to be the employee-focused culture – indicating a misalignment between what employees thought was needed and what was being provided and a need to change.

## BACKGROUND

Organisational or corporate culture is difficult to accurately define (Hofstede *et al*, 1990), being generally accepted as something rather intangible (e.g., Buch and Wetzel, 2001) - summing up a way a business functions (Gray *et al*, 2003). It is organisation-specific (Gordon, 1991), often referred to as the shared meanings or assumptions, beliefs, and understandings held by a particular group or 'mini-societies' (Kropp, 2004) about its problems, practices, and goals (e.g., Bresnen and Marshall, 2000) or "just the way we work together" (e.g., Coolican and Jackson, 2002).

Earlier, Porter's (1980) view - that the degree of corporate success enjoyed by an organisation could be characterized in terms of market and behavioural conditions – assumed employee's to be entirely preoccupied with the group to which they belong in the company, without distinguishing between their private and occupational lives (Kieser, 1995). In contrast, corporate culture is judged by many now to be a major determinant of company success (e.g., Baker, 2002) in terms of performance (e.g., Cameron and Quinn, 1999), especially through improved employees morale (e.g., Coolican and Jackson, 2002).

Organisational cultures differ mainly in terms of symbols, heroes and rituals (Brown, 1999) at various depths (e.g., Choudhury, 1992) and often called 'practices' (Hofstede,

1983) established by a strong organizational belief system and reflecting what people believe to be the ‘best’ thing to do in a given circumstance. The behaviour of leaders has been shown to influence the perception of organisational culture among followers (Block, 2003) and it is thought that the types of practices involved arise from the basic assumptions managers make in developing and attempting to implement visions/philosophies and/or business strategies necessary for the company’s long-term survival. When these are adopted by the owners and employees, the assumptions become part of the company’s culture (Gordon, 1991). According to this view, the resulting attitudes and processes reflect the creator’s view and definition of organisational culture (Ogbonna and Harris, 2000) - the same forces having been identified as the origins of culture in general, namely that the founder’s beliefs, national cultures and industry pressures are the likely origins of widespread and consistent practices (Cartwright *et al*, 1999).

Various types of corporate cultures have been identified - related to the dynamic nature of the industry concerned (Gordon and DiTomaso, 1992) and size of organisation (Gray *et al*, 2003). Several classifications have also been proposed, the most often cited of these being by Hofstede (1983), Kets de Vries and Cameron and Quinn (1999). These are described later.

The relative benefits of one form of corporate culture over another, however, has been the subject of prolonged debate, but in today’s business environment the preferred stance is to view corporate culture from a contingency management perspective in that there is no right culture for an organisation; only cultures that fit more or less to the particular situation at a given time (Recklies, 2001)

The dominant corporate cultures have undergone significant changes since the heyday of the industrial revolution and management trends have changed in response to this, rather than vice versa (Fligstein, 1985). Today, it is believed that, corporate culture basically provides the framework to implement and operationalise business strategies (Coolican and Jackson, 2002) and therefore managers need to be conscious of the cultures in which they are embedded (e.g., Bardoel and Sohal, 1999; and effect strategically appropriate changes when necessary (e.g., Kotter and Heskett, 1992). Corporate culture is, however, known to be hard to change successfully (e.g., Bresnen and Marshall, 2000), with a particularly significant aspect of this being associated with the notion of congruency between espoused and observed values (Schein, 1992), there being a direct link between lack of cultural congruence and employee turnover, job satisfaction and commitment to the organisation (e.g., Harris, 1996).

It is suggested that it is better for the organisation to focus not on “what it wants to be” as much as “what it is we are right now” (Fyock, 1999). To do this, it is necessary for some kind of measurement to take place, and several approaches have been proposed, in the form of group norms (Schein, 1990), audits (e.g., Agle and Caldwell, 1999) and profiles (e.g., Deshpandé *et al*, 1993). The primary objective then is to move the organisation towards a position that represents an acceptable compromise between the desired cultural environments of the various stakeholders involved (Schein, 1996).

## THE COMPETING VALUES FRAMEWORK

Whilst the visible and audible manifestations of culture, ‘artefacts’ and ‘espoused values’ are readily apparent, not all attributes are directly observable and instead must be inferred from what can be seen and heard in organizations. (Buch and Wetzel, 2001)

From observation, survey and investigation, researchers have shown that a form that a specific culture exhibits can be expressed by developing a summary profile to show the relative balance between validated indicators. Hofstede (1983) posited that a culture could be classified by comparing the degree of individualism versus collectivism, the apparent power-distance metric, tendency towards uncertainty avoidance and the bias between masculinity and femininity. Kets De Vries (1986), on the other hand, opted to base his classification on the prevailing mentality; Paranoid culture – persecutory theme, Avoidance culture – pervasive sense of futility, Charismatic culture – everything revolves around the leader, Bureaucratic culture - depersonalised and rigid, politicised culture – leadership responsibility abdicated.

More recently, Cameron and Quinn (1999) have proposed a classification comprising the four forms now widely used for culture audit and comparison purposes - Clan, Hierarchy, Market and Adhocracy. Subsequent research (Deshpande *et al*, 1993; Moll and Wlach, 2003) allows for the following expansion on these culture types:

- A **Clan** Culture, which is typical for an organization that concentrates on internal maintenance with flexibility, concern for people, and sensitivity for customers. It places an emphasis on human relations and adopts flexible operation procedures focusing on internal relationships. Core values include co-operation, consideration, agreement, fairness and social equality. Such an organisation is generally a very friendly place to work where people share a lot of themselves. It is like an extended family where leaders are thought of as mentors and loyalty and tradition hold the organisation together.
- A **Hierarchical** culture, when it focuses on internal maintenance and strives for stability and control through clear task setting and enforcement of strict rules. Accordingly it tends to adopt a formal approach to relationships where leaders need to be good coordinators and organisers and toe the party line. It places a high value on economy, formality, rationality, order and obedience.
- An **Adhocracy** culture, where the organization concentrates on external positioning with a high degree of flexibility and individuality that is supported by an open system that promotes the willingness to act. It is generally a dynamic, entrepreneurial and creative place to work where people stick their necks out and take risks. Leaders are visionary and innovative and success means producing unique and original products and services. The organisation values creativity, experimentation, risk, autonomy, and responsiveness.
- A **Market** culture, working towards clear and rational goals that are achieved through high productivity and economical operation. Tends to be results orientated and concentrate on getting the job done and its members value competitiveness, diligence, perfectionism, aggressiveness, and personal initiative. Its leaders are inclined to be hard-driving producer’s intent on outperforming competitors and being at the forefront of their field of endeavour by maintaining stability and control. The term Market is not to be confused with the marketing

function or with customers in the market place. It represents a focus on transactions with external bodies such as suppliers and customers.

These culture descriptors mirror to a great extent the forms suggested by Handy (1978) of power, role, task and person and Pheysey (1993), who found that they were in fact compatible with hierarchy, adhocracy, market and clan respectively. The use of such posited overall descriptions, however, represent little more than interpretive intuitions that have yet to be fully validated (Furnham and Gunter, 1993).

Innovative research has led to the development of new instruments, methods, and knowledge (Agle and Caldwell, 1999) that can be used to characterize an organisation's culture and identify the range of relevant values and assess how strongly held and widely shared they are within an organisation (Chatman and Jehn, 1994). Typical of these are Askansasy *et al's* *Organisational Profile Questionnaire* (OPQ), Glover *et al's* (1994) *Cultural Assets Profiles* (CAPS), Grey *et al's* (2003) *Organisational Culture Profile* (OCP), Maull *et al's* *Personal, Customer Orientation and Cultural Issues* (PCOC), Cooke's (1995) *Organisational Culture Inventory* (OCI) and Cameron and Quinn's (1999) *Organisational Culture Assessment Instrument* (OCAI). This diverse range of assessment tools and methods differ in format and mode of analysis, but they all incorporate a mix of qualitative and quantitative techniques to determine and compare the key cultural characteristics of a given organisation (Barley *et al*, 1988).

One of the most popular is the OCAI method, which has now been used in almost 10,000 organizations worldwide in most sectors (e.g., private sector, public sector, education, health care, new start-ups, NGOs) (Cameron, 2004). It was developed from Campbell's (1977) 39 organisational effectiveness indicators, subsequently expressed in terms of a two dimensional framework representing the "core values" of an organization Quinn and Rohrbaugh (1981). From this, Quinn and Cameron (1983) further developed an assessment tool employing the *Competing Values Framework* as a means for determining the relative importance of cultural traits within an organisation and establish the organization's dominant culture type characteristics and overall culture profile in terms of the four cultural forms mentioned above and six key dimensions of organisational culture:

1. *Dominant Characteristics* - the degree of teamwork and sense of belonging, level of creativity and dynamism, focus on goals and competition, reliance upon systems and emphasis on efficiency
2. *Organizational Leadership* - leadership style and approach that permeates the organisation. In earlier research, Quinn and Rohrbaugh (1981) described eight nominal categories of leadership and later incorporated these into the OCAI review process. The roles identified were mentor, facilitator, innovator, broker, producer, director, coordinator, monitor
3. *Management of Employees* - How employees are treated, degree of consultation, participation and consensus, working environment
4. *Organizational Glue* - bonding mechanisms that hold the organisation together such as cohesion and teamwork, loyalty and commitment, entrepreneurship and flexibility, rules and policies, goal orientation and competitiveness

5. *Strategic Emphasis* - organisational strategy drivers; long term development of human capital, innovation, stability and competitive advantage, growth and acquisition, achievement of goals
6. *Criteria for Success* - how is success defined and who gets rewarded profits, market share and penetration, sensitivity to customers and concern for people, development of new products and services, dependability and optimum cost

The competing values notion has been embodied into much of the current research and theory literature and is accepted as accurately determining both the type and strength of cultures prevalent in an organisation. It has been rated as one of the fifty most important models in the history of business study and has proven its worth since its conception in the mid-1980s. Whilst initially intended primarily as a tool for undertaking cultural audits, it has been shown to be also of use as a guide and indicator of cultural change, employee motivation and development of leadership skills. The competing values approach has been mentioned several times in the literature in the context of the construction industry (e.g., Ang and Ofori, 2001; Handa and Adas, 2001). Also, the general nature of the descriptors would seem to make them directly applicable to engineering and construction organisations with little modification, suggesting the competing values framework for organisational assessment would be valid for the study. It is also possible that some potential may exist for organisational improvement (Maloney and Federle, 1993).

## DATA COLLECTION

The organisation under study was formed in, 1991 as an engineering company specialising in the provision of engineering and project management services to the global mining industry and currently employs over 300 individuals, including engineers in chemical, metallurgical, mechanical, civil/structural and electrical/instrumentation disciplines, together with design draftsmen, operational personnel, maintenance personnel, project management and construction personnel. Agreements with several consultants in the industry enhance its capabilities across a range of process technologies. The organisation and alliance partners operate out of Brisbane, Salt Lake City, Vancouver, Toronto and Perth to carry out feasibility studies, design engineering, project management, construction, operations and maintenance services to mineral processing projects in Australia and overseas. The company is currently engaged in projects with a total capital value of A\$2 billion in Australia, China, Indonesia, Laos, Mongolia, Papua New Guinea, Philippines, Tanzania and Vietnam.

The commercial organisation can be considered as comprising of two distinct groups, one focusing on the “*business*” i.e. the various processes that support the delivery of its products and services, such as accounts, salaries and strategic management, and the other focusing on the “*work*” i.e. the development and delivery of the products and services themselves, be it a feasibility study, detailed design or a executing a comprehensive EPCM (Engineer, Procure, Construct, Manage) project. Hence the organisation consists of a mix of financial, administrative, engineering and science professionals and support staff, each person having received their education outside the organization and tending to identify themselves to a greater extent on with their professional reference groups rather than with their colleagues inside the organisation.

The company presents an ideal opportunity to conduct research into the organisational culture of a professional consultancy operating in a mature industry that is undergoing profound changes in the way business is undertaken. The move away from the traditional adoption of quasi-adversarial positions between clients, consultants, suppliers and contractors to relationship based alliances, coupled with the dynamics of the modern employer/employee association and the inherent transience of projects, presents a potentially volatile and unstable organisational climate that needs appropriate management methods and approaches. Senior management comprises primarily of engineering practitioners, who have moved away from the hard science activities of design and construction to the soft science functions of human resource and corporate management. The need to actively and progressively manage “people” as against “resources” has become apparent and the company is currently seeking to assess and define its identity and culture, so that a valid and meaningful strategy for internal and external development and growth can be determined and implemented.

The standard OCAI method was used for the survey. Its details and method of analysis can be found in Cameron and Quinn (1999). A web-based version of the questionnaire was developed for employees to visit throughout a week long survey period and enter their responses and make their comments. The questionnaire was presented in a user-friendly progressive scrolling web-page format with explanatory notes and a help section. Employee’s concerns over confidentiality were circumvented by engaging a specialist IT consultant that provided a totally secure data collation software system and whom undertook not to disclose confidential information.

A trial survey was conducted in August, 2004 using printed questionnaires to establish if the enquiry process and answering procedures could be easily understood and complied with. The rationale behind the impassive marking protocol was questioned and had to be explained. The definition proffered was *“Ipsative” means measured against itself; an ipsative result is observed as a fact, not compared to other results and then put in the context of an average or expected outcome With an ipsative score each person thus provides his or her own frame of reference.* The respondents confirmed their understanding of this and the answering process was confirmed as being readily understandable and easy to fulfil. Trial respondents also queried the need to assign values totalling 100. It was felt that stipulating a gross sum of 10 points per section overcome this concern. The final instrument reflected this observation accordingly as the indicator scale differential would not be affected.

The trial respondents realised that the questionnaire adopted a “comparison” approach and enquired as to what the results would ultimately be compared to. The internal comparison between the NOW and PREFERRED was understood, but an interest into how you measure the company relative to others was expressed. This was repeated during the actual survey.

The research questionnaire was made available to all employees, in two capital offices and several sites (overseas and in Australia) on 27 September, 2004 under cover of an e-mail from the Managing Director in which the basic objectives of the exercise were outlined. A copy of the questionnaire is presented in Appendix 1. This employed the OCAI “now” and “preferred” standard questions developed by Cameron and Quinn

(1999), with the additional provision of a comments “block” in which employees could air their views on the process itself and their thoughts on the six organizational behavioural determinants.

## RESULTS

The questionnaire was made available to, 190 staff, with 121 (64%) members starting to complete the questionnaire and 113 (59%) completing it fully (Table 1).

The mean results obtained from the survey are summarised in Table 2. Applying the review criteria developed by Cameron and Quinn generates the overall current culture profile. This is shown in Figure 1 in comparison with the average results obtained by Cameron and Quinn through research into over one thousand different organizations, indicating the company has higher scores on all dimensions except hierarchy.

Figure 2 reproduces the current culture profile in contrast with the respondents’ preferred culture profile. This shows a clear preference away from a MARKET culture towards a CLAN culture

Figures 3-8 show this contrast again in terms of each of the six recognised cultural dimensions. This reiterates the preference away from a Market culture and, for all except Dominant Characteristics, more towards a Clan culture:

### Comment

1. The seemingly low response rate from the Engineering complement can be attributed to the “transient” nature of the work force. A large portion of the engineering staff are short-term contract employees (draftsmen etc) and do not consider themselves as employees in the traditional sense. As such they are disinclined to become involved in corporate management and HR issues.
2. The difference between the company’s current culture profile and the average profile (Figure 1) suggests that the organisation is trying to respond to differing demands made upon it. Typically in the engineering industry, these demands could be result from the project specific client requirements to industry wide behavioural shifts. The organisation may need to operate simultaneously in two or more quadrants to satisfy the particular demands of a client or project scope.
3. These overall discrepancies between the current and preferred states are remarkably similar to Thomas *et al*’s results (Figure 9) for the relationship between project culture and project performance. Here they provide the different profiles for each of (1) above average performance, (2) average performance and (3) below average performance organisations. This clearly shows the similarity between the profile for the below average performance organisations and the current state of the study organisation, in contrast with the similarity of profiles for the above average performance organisations and the preferred state of the study organisation. As Thomas *et al* comment

... projects achieving below average performance showed a strong orientation towards market forms of culture which are, paradoxically, results oriented. The management styles (implicitly) inherent within this culture are focussed on short-term goal attainment

and project managers are 'hard-driving' and competitive. This type of culture focuses on the individual and his/her ability to produce. These forms are not conducive to developing cooperative, open, team environments, but rather adversarial, conflict-ridden projects concerned with individual or organisational, self-preservation. Conversely, projects that produced above average results exhibited considerably weaker Market characteristics while possessing strong traits associated with Clan types of organisation. These organisations that place a premium on team cohesion, consensus and morale are led by managers with a mentor or facilitator style – they were people oriented. (p.10-11),

finally concluding that "... construction would greatly benefit from the development of forms of management that develop deeper relationships than those common in industry today." (p12). Organisational culture guides and controls employee behaviour and action and previous research has shown that in construction organisations, where the ad-hoc nature of the work generally precludes the use of accurate methodical performance measures, the clan culture is commonly predominant and more conducive to success (Thomas *et al*, 2002). An organisation structured along these lines typically gives employees a high degree of professional freedom and flexibility, and will allow them to determine their own work-life balance. It also tends to maintain a partnering approach towards internal production and external relationship issues and adopt systems that lead to consensus building through informal review and discussion. Employees working in such an environment tend to be proactive and accept accountability for what they do, the company develops a self-motivated learning culture, and becomes 'challenge' rather than 'task' driven.

4. Schein (1992) typified functional and dysfunctional cultures by the degree of congruence between their espoused and observed values and subsequent research has shown a direct link between cultural congruence and employee turnover, job satisfaction and commitment to the organisation. (O'Reilly *et al*, 1991). In a congruent culture the plot of the six indicators (dominant characteristics, leadership style, approach to managing employees, organisational binding, strategic emphasis and reward systems) on the individual profiles are similar. Conversely, a relatively non-cohesive organisation has a low degree of cultural congruence. All of the six plots for both the current and desired states appear similar, indicating that the organisation has a congruent culture.

## CONCLUSION

This paper describes research within a single, large, Australian Engineering, Procurement and Construction management consultancy aimed at identifying the form of its current corporate culture and the extent to which this is perceived to be appropriate by those involved. Using the Competing Values Framework, the overall cultural profile of the organisation and dominant characteristic traits is determined through an in-house electronic survey employing the *Organisational Cultural Assessment Instrument* (OCAI) without modification.

It should be noted that, although the OCAI is a well developed, valid and reliable instrument (Cameron and Quinn, 1999; Kalliath Bluedorn and Gillespie *et al*, 1999), it does not claim to cover comprehensively all cultural phenomena in organisations (Paparone, 2003). Instead, it offers an intuitively appealing and relatively easy way to "organise organisational culture types" (Cameron and Quinn, 1999:17). In

addition, the established strength in validity and reliability is an attribute which none of its rivals have demonstrated (Paparone, 2003)

In applying the OCAI method, the results indicated the company to have a dominant market-oriented culture. In contrast, the most desired form according to the respondents was an employee focused culture – indicating a misalignment between what employees thought was needed and what was perceived to exist.

The result clearly echoes the need for those employed in the company under study in contrast with the perceived current regime. How this situation has arisen in this company is not known. As Bresnen and Marshall (2000) reiterate, "... organisational culture is a complex and multifaceted phenomenon that arises and develops through on-going social interaction among members of a community. It is not simply something that can be imposed from on high, and frequently attempts to do so simply provoke resistance or produce unintended and undesired consequences". Perhaps this is the case here.

Only a larger study will identify the reasons for this disparity and the extent to which it exists in other companies. One possibility is that managers are becoming increasingly specialised and focused exclusively on the external environment and business outcomes, whilst employees are engaged in the work process and are task driven. Also, it is acknowledged that whilst there seems to be a link between a company's culture and the commercial success it enjoys, it is not a simple relationship (Mercoulides and Heck, 1993) – the employees' expectations may be unrealistic. Either way, however, as Schein (1997) has pointed out, the absence of a realistic consensus is likely to generate conflict and ultimately undermine the organisations ability to cope with its external environment.

What should the company do? Should changes be made? Again in Bresnen *et al*'s words "... organisational cultural change, at best, depends crucially upon a number of situational factors [including]: whether there is a shared perception of a need for change; whether the climate is supportive or not (i.e., encouraging open debate and trust); whether the existing culture is powerful, well established and mature (i.e. entrenched); and whether or not powerful and competing subcultures and countercultures exist" (p235). Certainly, the first factor appears to exist. Whether or not the remainder also apply may be the next issue to examine before contemplating what changes may be needed.

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## APPENDIX A: ORGANISATIONAL CULTURE ASSESSMENT INSTRUMENT (OCAI)

In completing this questionnaire you are providing a picture of how your organisation operates and the values that characterise it. There are no right or wrong answers as every organisation and individual will produce a different set of answers. Just be as accurate as you can.

Please rate each of the statements by **dividing 10 points between A, B, C and D** depending upon **how similar the description is to your organisation. (10 is very similar and 0 is not at all similar to this firm)**. The total points for each question must equal 10. Rate for both how you feel the firm is now (**NOW**) and how you think it should be (**PREFERRED**)

For example, in question 1, assume that you gave 7 points to A, 1 points to B, 2 points to C, and 0 points to D in the “NOW” column. This would indicate that the organisation is predominantly a personal place and not at all a controlled and structured place. Assume that you gave 2.5 points to each one in the “PREFERRED” column. This would indicate you would **prefer** for these cultural attributes to be exactly equal. **You may only use four numbers that total 10 in each column.**

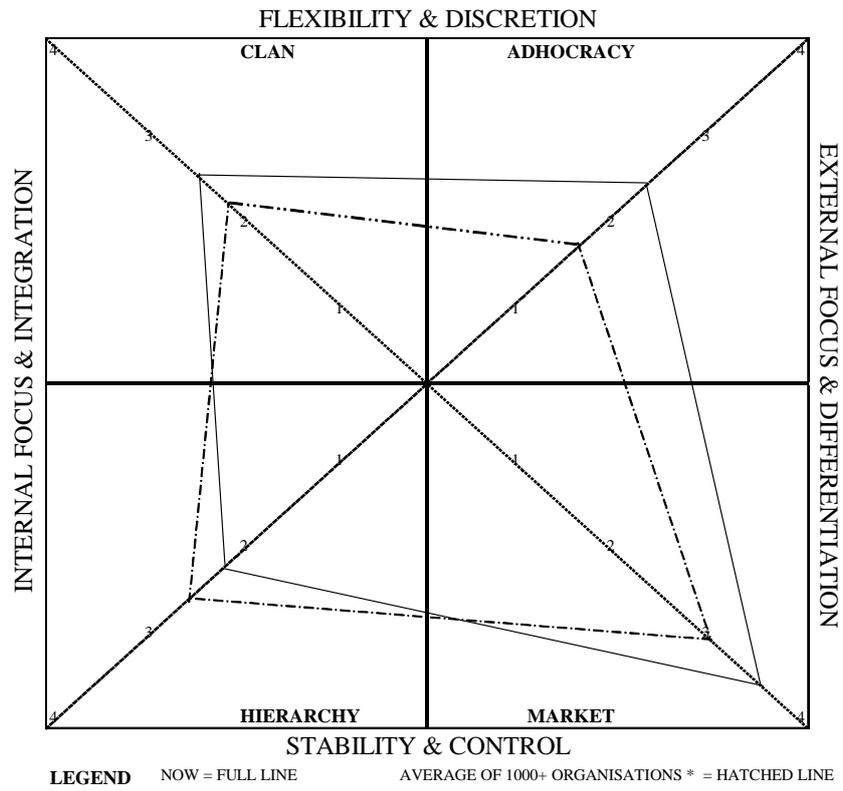
Here is how you might rate the culture of your organisation “NOW” and how you might “PREFER” the culture to be sometime in the future.

### EXAMPLE QUESTION 1:

| 1  | DOMINANT CHARACTERISTICS                                                                                                                        | NOW | PREFERRED |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----------|
| A. | The organisation is a very personal place. It is like an extended family. People seem to share a lot of themselves                              | 7   | 3         |
| B. | The organisation is a very dynamic and entrepreneurial place. People are willing to stick their necks out and take risks                        | 1   | 2         |
| C. | The organisation is very results orientated. A major concern is getting on with the job. People are very competitive and achievement orientated | 2   | 3         |
| D. | The organisation is a very controlled and structured place. Formal procedures generally govern what people do.                                  | 0   | 2         |
|    | <b>TOTAL</b>                                                                                                                                    | 10  | 10        |

| 1  | <b>DOMINANT CHARACTERISTICS</b>                                                                                                                 | <b>NOW</b> | <b>PREFERRED</b> |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------|
| A. | The organisation is a very personal place. It is like an extended family. People seem to share a lot of themselves                              |            |                  |
| B. | The organisation is a very dynamic and entrepreneurial place. People are willing to stick their necks out and take risks                        |            |                  |
| C. | The organisation is very results orientated. A major concern is getting on with the job. People are very competitive and achievement orientated |            |                  |
| D. | The organisation is a very controlled and structured place. Formal procedures generally govern what people do.                                  |            |                  |
|    | <b>TOTAL</b>                                                                                                                                    | 10         | 10               |
| 2  | <b>ORGANISATIONAL LEADERSHIP</b>                                                                                                                | <b>NOW</b> | <b>PREFERRED</b> |
| A. | The leadership of the organisation is generally considered to exemplify mentoring, facilitating or nurturing                                    |            |                  |
| B. | The leadership of the organisation is generally considered to exemplify entrepreneurship, innovation or risk taking                             |            |                  |
| C. | The leadership of the organisation is generally considered to exemplify a no-nonsense, aggressive, results-orientated focus                     |            |                  |
| D. | The leadership of the organisation is generally considered to exemplify coordinating, organising, or smooth running efficiency.                 |            |                  |
|    | <b>TOTAL</b>                                                                                                                                    | 10         | 10               |
| 3  | <b>MANAGEMENT OF EMPLOYEES</b>                                                                                                                  | <b>NOW</b> | <b>PREFERRED</b> |
| A. | The management style in the organisation is characterised by teamwork, consensus and participation                                              |            |                  |
| B. | The management style in the organisation is characterised by individual risk-taking, innovation, freedom and uniqueness                         |            |                  |
| C. | The management style in the organisation is characterised by hard-driving competitiveness, high demands and achievement                         |            |                  |
| D. | The management style in the organisation is characterised by security of employment, conformity, predictability and stability in relationships  |            |                  |
|    | <b>TOTAL</b>                                                                                                                                    | 10         | 10               |

| 4  | ORGANISATIONAL GLUE                                                                                                                                 | NOW | PREFERRED |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----------|
| A. | The glue the holds the organisation together is loyalty and mutual trust. Commitment to the organisation runs high.                                 |     |           |
| B. | The glue the holds the organisation together is commitment to innovation and development. There is an emphasis on being on the cutting edge         |     |           |
| C. | The glue the holds the organisation together is the emphasis on achievement and goal accomplishment. Aggressiveness and winning are common themes   |     |           |
| D. | The glue the holds the organisation together is formal rules and policies, Maintaining a smooth-running organisation is important                   |     |           |
|    | <b>TOTAL</b>                                                                                                                                        | 10  | 10        |
| 5  | STRATEGIC EMPHASES                                                                                                                                  | NOW | PREFERRED |
| A. | The organisation emphasises human development. High trust, openness and participation persist                                                       |     |           |
| B. | The organisation emphasises acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued     |     |           |
| C. | The organisation emphasises competitive actions and achievement. Hitting stretch targets and winning in the marketplace are dominant                |     |           |
| D. | The organisation emphasises permanence and stability. Efficiency, control and smooth operations are important                                       |     |           |
|    | <b>TOTAL</b>                                                                                                                                        | 10  | 10        |
| 6  | CRITERIA OF SUCCESS                                                                                                                                 | NOW | PREFERRED |
| A. | The organisation defines success on the basis of the development of human resources, teamwork, employee commitment and concern for people           |     |           |
| B. | The organisation defines success on the basis of having the most unique or the newest products. It is a product leader and innovator                |     |           |
| C. | The organisation defines success on the basis of winning in the marketplace and outpacing the competition. Competitive market leadership is the key |     |           |
| D. | The organisation defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low cost production are critical            |     |           |
|    | <b>TOTAL</b>                                                                                                                                        | 10  | 10        |



*Figure 1: Overlay of Current Culture Profile & Average for 1000+ Organisations*

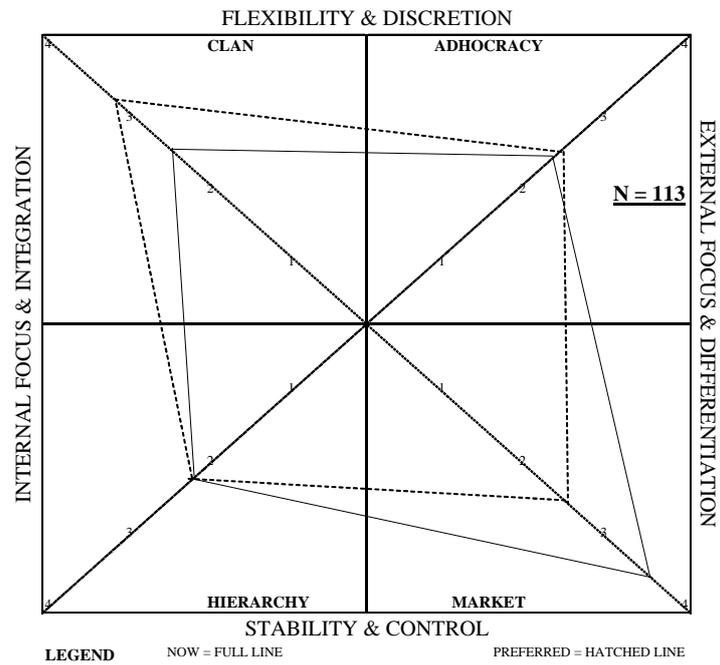


Figure 2: Overall “NOW” and “PREFERRED” Culture Profile

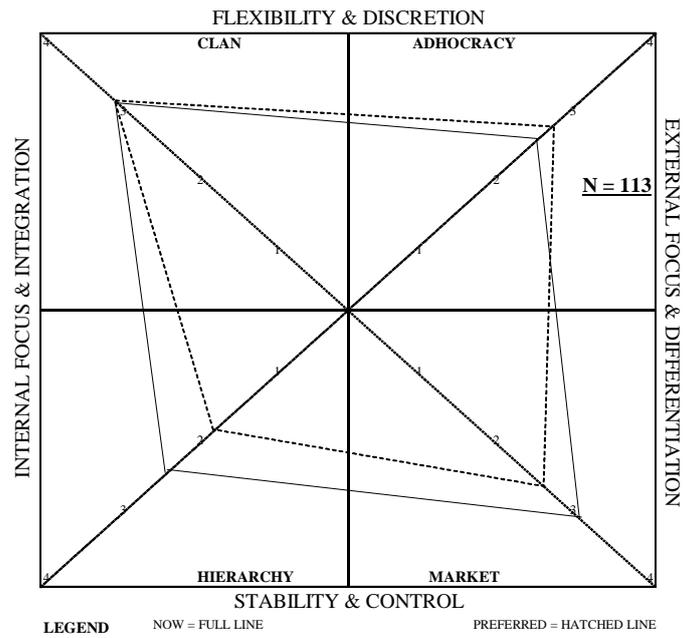


Figure 3: Dominant Characteristics Culture Profile

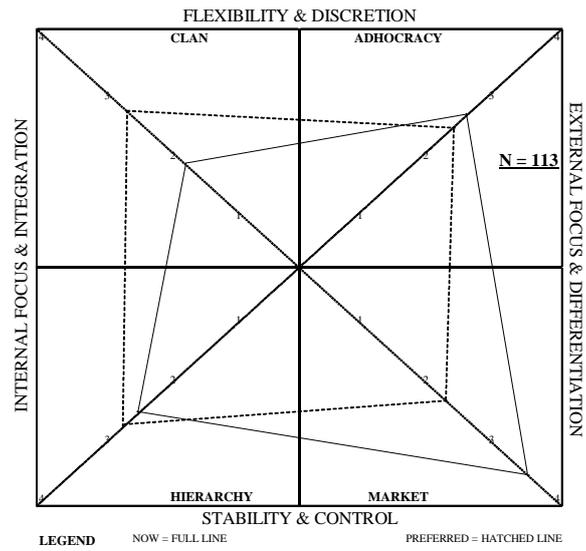
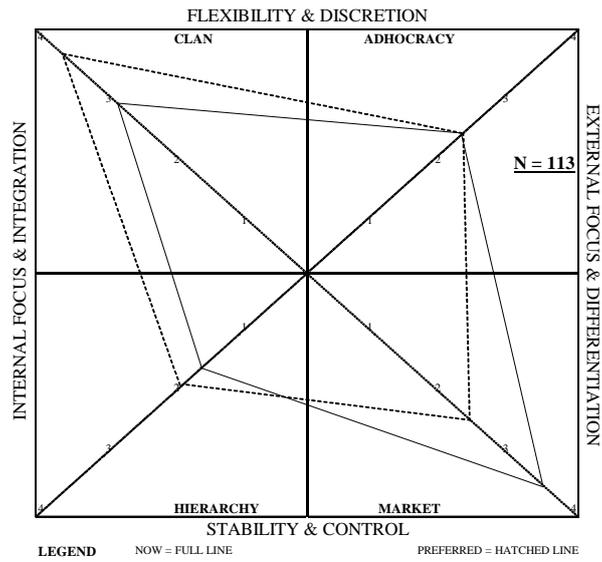


Figure 4: Organisational Leadership Culture Profile



*Figure 5: Management of Employees Culture Profile*

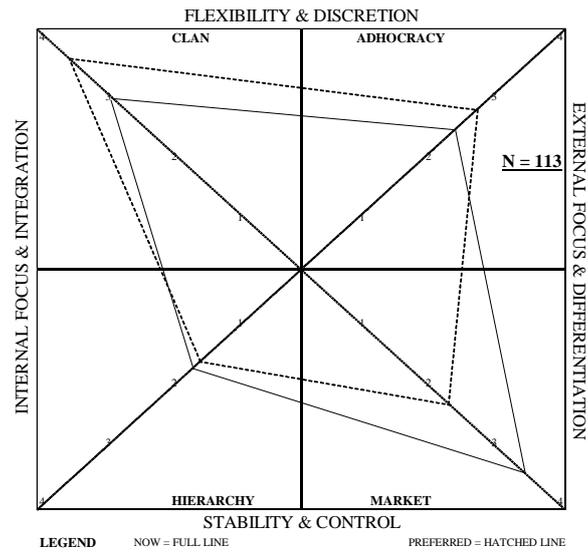


Figure 6: Organisational Glue Culture Profile

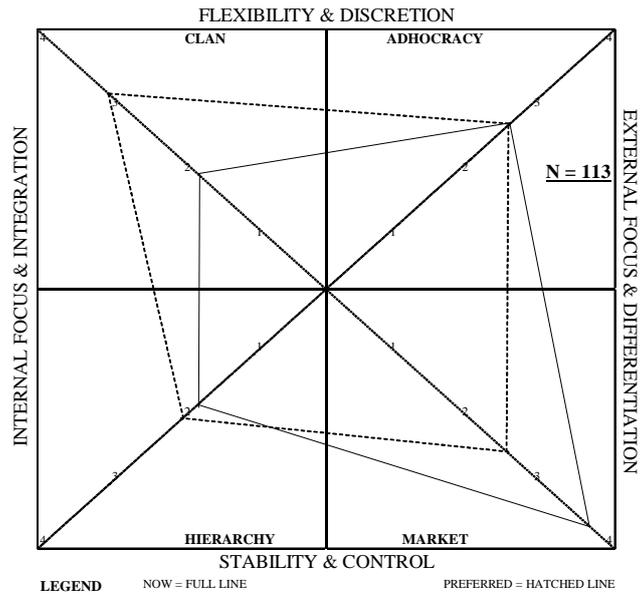
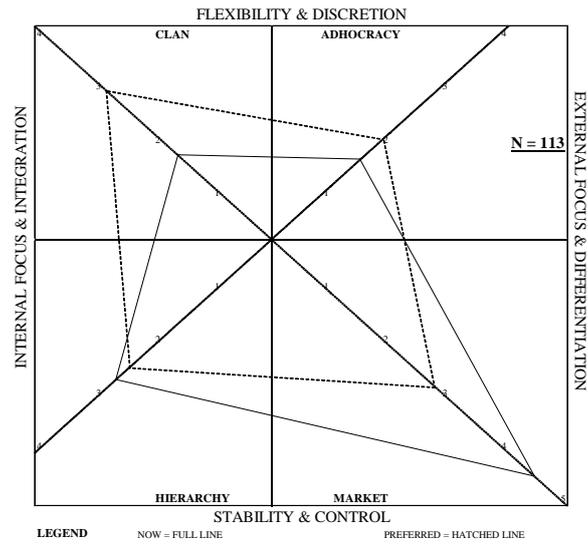


Figure 7: Strategic Emphasis Culture Profile



*Figure 8: Criteria of Success Culture Profile*

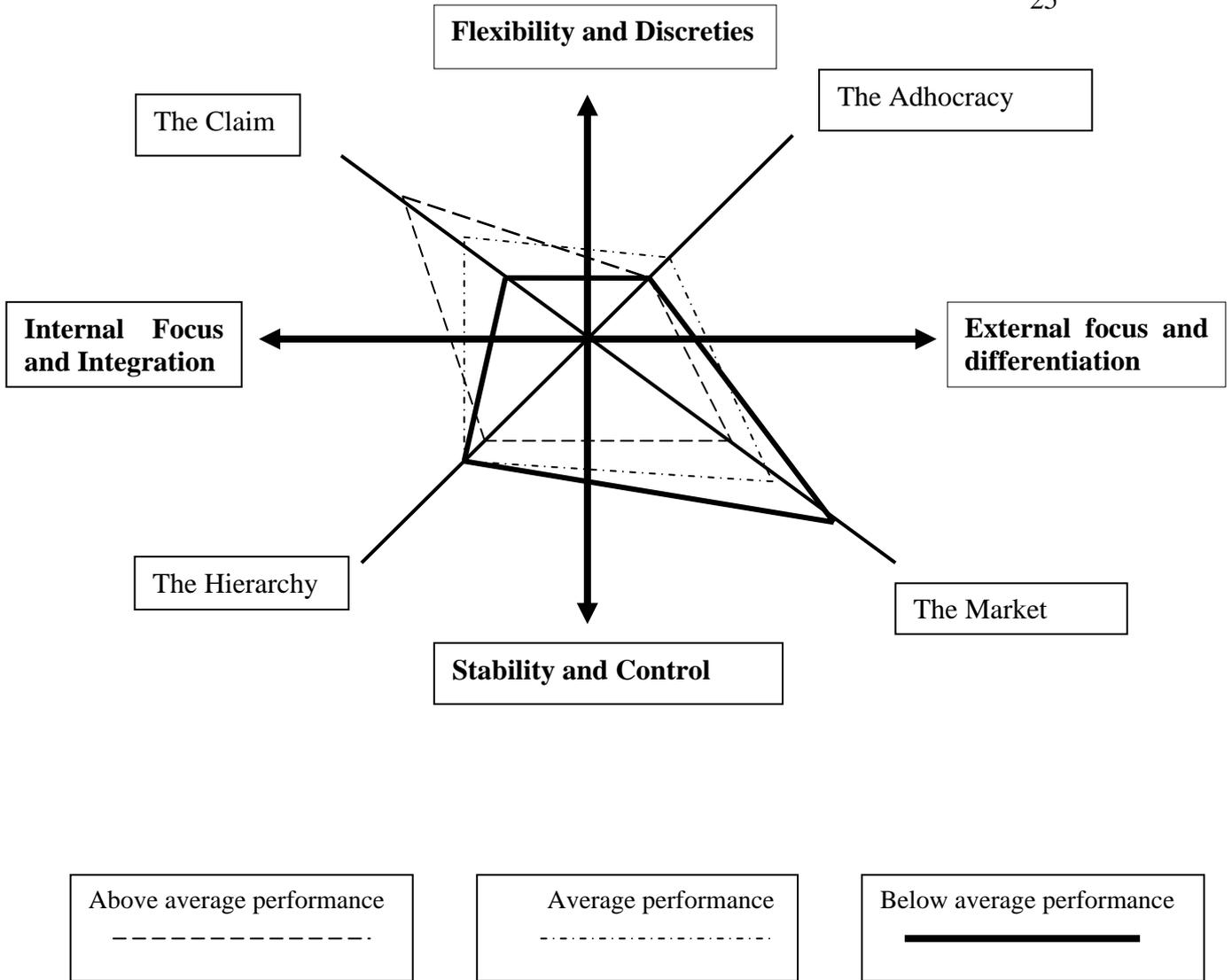


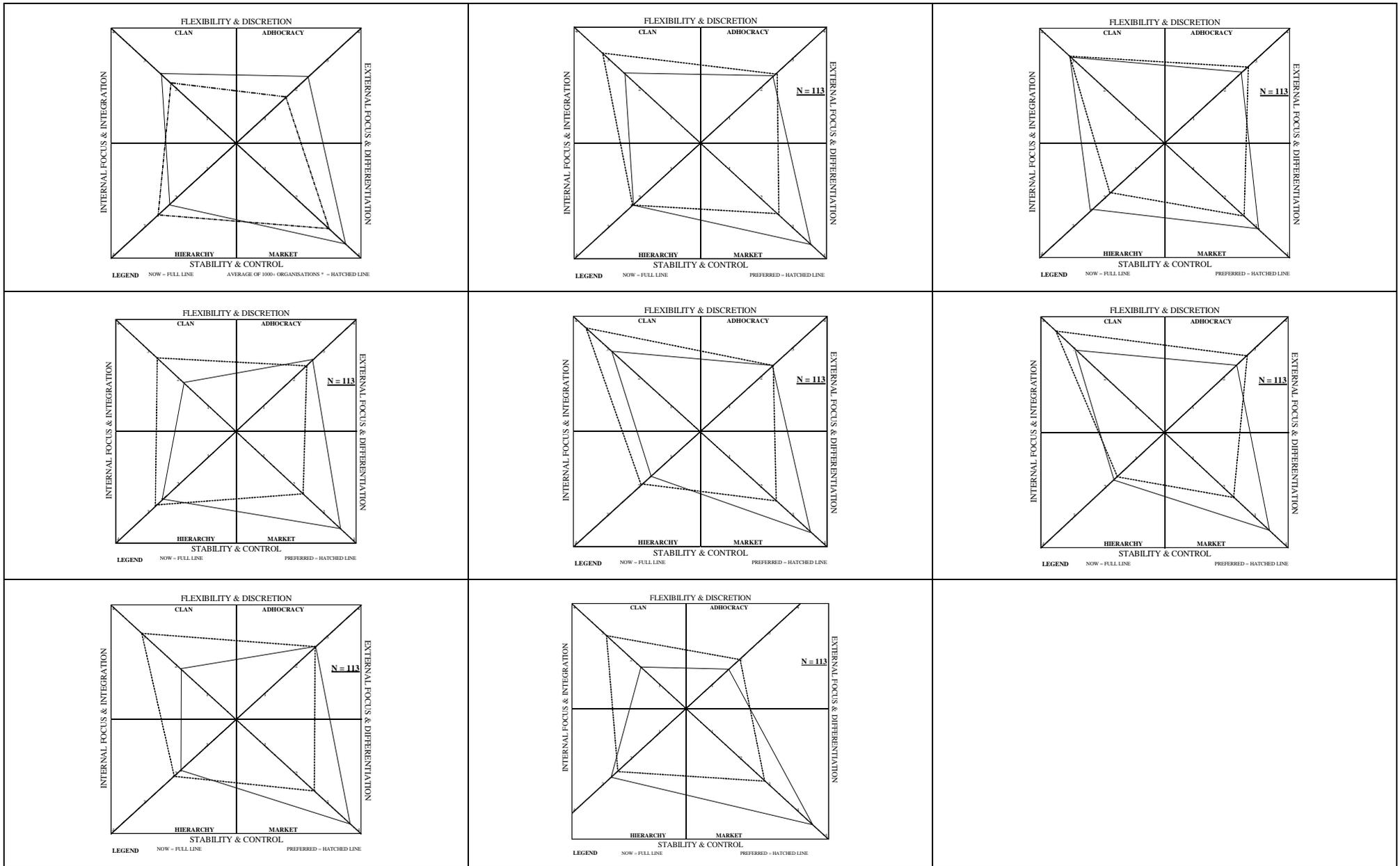
Figure 9: The relationship between project culture and project performance (Thomas et al, 2002: Figure 2)

|                                  | <b>Employees</b> | <b>Responses</b> |
|----------------------------------|------------------|------------------|
| Accounts/Admin/It                | 26               | 22               |
| Corporate Management             | 7                | 7                |
| Engineering                      | 136              | 54               |
| Projects Management              | 39               | 30               |
| <i>Total Number of Employees</i> | <i>208</i>       | <i>113</i>       |

*Table 1: Respondents*

| MEAN RESULTS                | CLAN |           |          | ADHOCRACY |           |          | MARKET |           |          | HIERARCHY |           |
|-----------------------------|------|-----------|----------|-----------|-----------|----------|--------|-----------|----------|-----------|-----------|
|                             | NOW  | PREFERRED | VARIANCE | NOW       | PREFERRED | VARIANCE | NOW    | PREFERRED | VARIANCE | NOW       | PREFERRED |
| OVERALL PROFILE             | 2.4  | 3.1       | 0.7      | 2.3       | 2.4       | 0.1      | 3.5    | 2.4       | -1.1     | 2.1       | 2.1       |
| CULTURAL ATTRIBUTES         |      |           |          |           |           |          |        |           |          |           |           |
| 1 DOMINANT CHARACTERISTICS  | 3.0  | 3.0       | 0.0      | 2.5       | 2.7       | 0.2      | 3.0    | 2.6       | -0.4     | 2.3       | 1.8       |
| 2 ORGANIZATIONAL LEADERSHIP | 1.8  | 2.7       | 0.9      | 2.6       | 2.4       | -0.2     | 3.4    | 2.2       | -1.2     | 2.4       | 2.8       |
| 3 MANAGEMENT OF EMPLOYEES   | 2.9  | 3.7       | 0.8      | 2.3       | 2.3       | 0.0      | 3.4    | 2.3       | -1.1     | 1.6       | 1.9       |
| 4 ORGANIZATIONAL GLUE       | 2.9  | 3.5       | 0.6      | 2.3       | 2.8       | 0.5      | 3.3    | 2.2       | -1.1     | 1.7       | 1.6       |
| 5 STRATEGIC EMPHASIS        | 1.9  | 3.0       | 1.1      | 2.6       | 2.6       | 0.0      | 3.7    | 2.5       | -1.2     | 1.8       | 2.0       |
| 6 CRITERIA OF SUCCESS       | 1.7  | 2.9       | 1.2      | 1.6       | 1.9       | 0.3      | 4.3    | 2.8       | -1.5     | 2.7       | 2.4       |

*Table 2: Summary of Mean Cultural Profile Scores*



*Suggested layout for Figures 1-8*

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