ORGANIZATIONAL BEHAVIOR:
Structure and Culture

Tini Mogea

PREFACE

This book is designed and developed to support the Organizational Behavior: Structure and Culture. It provides learning resources and teaching ideas for the development and implementation in Educational Program. The rationale behind the package is that students will have knowledge and opportunities to enrich their Organizational Behavior: Structure and Culture experience and extend range of supervision abilities through exploring some example of theories and practices in Organizational Behavior. Organizational behavior is essentially based on the science of behavior itself developed with the focus of attention on human behavior in an organization. The basic framework for this field of knowledge is supported by at least two components, namely individuals who behave and formal organizations as container of the behavior. The purpose of this field is to make sure teachers and other faculty members are doing what they're supposed to be doing and that students are receiving the best

education possible. Hopefully through this book it can be a beneficial for readers specially to learn and explore about Organization Behavior.

Manado, January 2020
Writer,

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CHAPTER V CULTURE

Chapter I
BEHAVIOR

1.1 Definition of Organizational Behavior

The organization is a forum for gathering a group of people who have a common goal. While definitive Behavior in Organizations itself is a study that concerns aspects of human behavior in an organization, or a particular group. Where everyone has different characteristics and typologies. In an organization everyone who has their own interests and goals, competes to achieve their respective interests in the organization. This is also marked by the differences that exist about all kinds of traits within the organization members, for that an employee or manager is required to be smart to know the kinds of subordinate characters and colleagues, so that they can interact well and become a manager who is able to know the direction of thinking of all employees working. Organizational Behavior is a discipline that

studies the behavior of individual and group levels in an organization and its impact on performance (both individual, group, and organizational performance) (Robbins & Timothy A. Judge, 2010).

Organizational behavior is a field of study that includes the theories, methods and principles of a variety of disciplines used to study individual perceptions and actions while working in groups and within the organization as a whole (Gibson, 1996: 6).
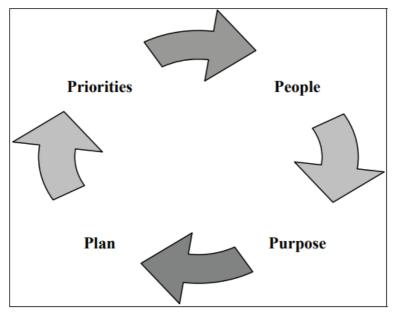
Figure 1. Organizations are Systems (Kaifi B. A., & Noori S. A., 2011)

An open organization system functions both internally and externally. The external system has an impact on the internal system and vice versa. For

example, the actions of customers (externally) affect the organization and the behavior of people (internally) at work. "Today, when we describe organizations as systems, we mean open systems. An organization takes inputs (resources) from the environment and transforms or processes these resources into outputs that are distributed in the environment" (Robbins & Coulter, 2005).

People:
Interaction between individuals

Personal characteristics influence individuals such as education, background abilities and beliefs

Organization

Structure:
Type of relationship between individuals formal and informal. Eg Level of Hierarchies

Internal Environment:
Conditions, factors & elements within a company that influence the activities, choices made by the firm, and especially the behavior of the employees

Technology:
Refers to the use of technology for individuals to interact in and outside and organization

External Environment:
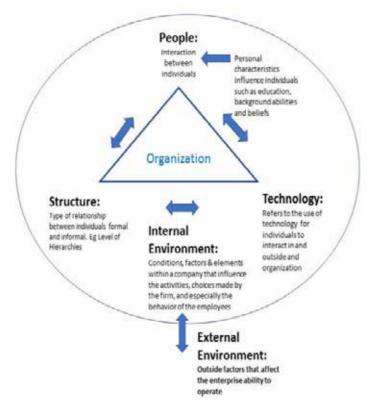Outside factors that affect the enterprise ability to operate

Figure 2. Factors affecting Organizational Behavior (Metz U. S. F., Marquardt K., Golowko N., Kompalla A. and Christian Hell C., 2018)

An organization, of course, exists before a particular person joins it and continues to exist long after he or she has left. Therefore, the organization itself represents a crucial perspective from which to view organizational behavior. For instance, the consultant studying turnover would also need to study the structure and culture of Texas Instruments. An understanding of factors such as the performance evaluation and reward systems, the decision-making and communication patterns, and the design of the firm itself can provide additional insight into why some people decide to stay while others elect to leave.

Clearly, the field of organizational behavior can be both exciting and complex. Myriad variables and concepts impact the interactions described, and together these factors can greatly complicate a manager's ability to understand, appreciate, and manage others in an organization. However, they can also provide unique opportunities to enhance personal and organizational effectiveness. The key, of course, is understanding. To provide some groundwork for understanding, we look first at the historical roots of organizational behavior (Metz U. S. F., Marquardt K., Golowko N., Kompalla A. and Christian Hell C., 2018).

1.2   Personal Qualities

Commitment has been identified as an important factor in defines an entire organization. Over the past several decades, research on commitment has grown and become a subject of popular research among researchers. One of the aspects of the work environment is the aspect of work behavior that has to do with an employee's motivation to perform a task is the degree of their commitment to the organization. Studies have shown that employees with high commitment tend to work more than those with low commitment (Larson, 2005).

Commitments are divided into two types, namely Organizational Commitment and work commitments. Organizational commitment is the value of the organization as for themselves or the employees themselves. employees are willing to add effort and sacrifice for the good of the organization. Organizational problems are also problems that need to be considered by workers, therefore employees will feel a close relationship between themselves and the organization. Employees will show loyalty to their organization, feel threatened if the organization or institution receives criticism, is beset by problems and so on. Employees are interested in establishing relationships with responsible people in the organization, maintaining good relations at work, wanting and an everlasting interest in their

organizations even though they are offered with attractive alternatives (Salancik, 2005).

Figure 3. Definition of Soft Skills (Cimatti B, 2015)

Personal quality play a key role in organization, as we said before it is the first and major step in achieves total quality management. The importance of Personal Quality stems from 1) Quality is an attitude of mind, 2) People are the ultimate creators of quality products and services Personal 3) quality is the bedrock of organizational quality 4) Increases organizational and personal productivity 5) Enhances quality of personal life. (Malhi, 2009).

Positive Personal Attributes	• Having high self-esteem. • Having the ability to handle responsibility • Adopting system procedures • Having self discipline • Hard working • Practical implementation • Maintaining a high level of sincerity and honesty • Accepting constructive criticism • Having flexibility and the ability to adapt to changes • Applying time management • Having good communication skills • Having elegance and good appearance • Having fitness and good health • Living a balanced life • Having self improvement
Good Human Relations	• To treat all people with respect • To be optimistic • To show care for others • To maintain good relations • To have good listening skill • To draw people attention to their faults politely. • To give an honest and a specific evaluation. • To praise when needed • To control your emotions • To admit your faults • To keep secrets • To have empathy to see the others point of view • To respect commitments and promises • To help others in their development • To keep smiling • To avoid controversy and irony
Superior / Outstanding Work Performance	• To achieve error-free work • To have full knowledge of the job • To predict problems and prevent them • To be initiative to improve work • To do tasks by priority • To take quick and accurate decisions based on full awareness of facts • To have team working skills • To have creativity and innovation

Figure 4. Main proposed criteria of personal quality (Alshalabi F. S., 2012)

Because quality is an attitude of mind (which reflect the importance of personal quality), and organization performance is greatly depending on personal quality of it is member (Malhi, 2009), organization must work hard to enhance personal quality. to do so organizations should adapt specific strategy for enhancing personal quality which explain in details how to enhance personal quality to attain peak performance at work place.

SELF-RENEWAL & CONTINUOUS IMPROVEMENT

DETERMINING CURRENT PERSONAL QUALITY LEVEL
- Identifying personal attributes
- Assessing human relations skills
- Evaluating work performance
- Determining areas for improvement

FORMULATING PERSONAL QUALITY ACTION PLAN
- Establishing personal quality goals
- Formulating Action Plan to attain personal quality goals

TAKING ACTION
- Executing your Personal Quality Action Plan
- Managing time successfully
- Practising self-discipline
- Maintaining perseverance

MONITORING PROGRESS
- Reviewing progress towards attainment of personal quality goals
- Taking corrective action

SUSTENANCE   HIGH SELF-ESTEEM   SUSTENANCE

SELF-RENEWAL & CONTINUOUS IMPROVEMENT

Figure 5. Enhancing Personal Quality Model (Alshalabi F. S., 2012)

Chapter II

THEORY

2.1   Needs-Based Theories

a.   Maslow's Hierarchy of Needs

Abraham Maslow is among the most prominent psychologists of the 20th century and the hierarchy of needs, accompanied by the pyramid representing how human needs are ranked, is an image familiar to most business students and managers. Maslow's theory is based on a simple premise: Human beings have needs that are hierarchically ranked (Maslow, 1943; Maslow, 1954). There are some needs that are basic to all human beings, and in their absence, nothing else matters. As we satisfy these basic needs, we start looking to satisfy higher-order needs. Once a lower-level need is satisfied, it no longer serves as a motivator.

The most basic of Maslow's needs are physio-logical needs. Physiological needs refer to the need for

air, food, and water. Imagine being very hungry. At that point, all your behavior may be directed at finding food. Once you eat, though, the search for food ceases and the promise of food no longer serves as a motivator. Once physiological needs are satisfied, people tend to become concerned about safety. In fact, having no attachments can negatively affect health and well-being (Baumeister & Leary, 1995). The satisfaction of social needs makes esteem needs more salient. Esteem needs refer to the desire to be respected by one's peers, feeling important, and being appreciated. Finally, at the highest level of the hierarchy, the need for self-actualization refers to "becoming all you are capable of becoming." This need
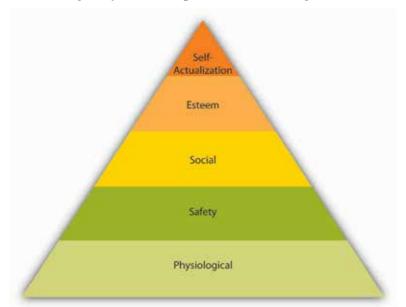

Figure 6. Maslow's Hierarchy of Needs (Maslow, 1943)

manifests itself by acquiring new skills, taking on new challenges, and behaving in a way that will lead to the satisfaction of one's life goals.

Maslow's hierarchy is a systematic way of thinking about the different needs employees may have at any given point and explains different reactions they may have to similar treatment. An employee who is trying to satisfy her esteem needs may feel gratified when her supervisor praises her. However, another employee who is trying to satisfy his social needs may resent being praised by upper management in front of peers if the praise sets him apart from the rest of the group.

b.   ERG Theory

ERG theory of Clayton Alderfer is a modification of Maslow's hierarchy of needs (Alderfer, 1969). Instead of the five needs that are hierarchically organized, Alderfer proposed that basic human needs may be grouped under three categories, namely, Existence, Relatedness, and Growth (see the following figure). Existence need corresponds to Maslow's physiological and safety needs, relatedness corresponds to social needs, and growth need refers to Maslow's esteem and self-actualization.
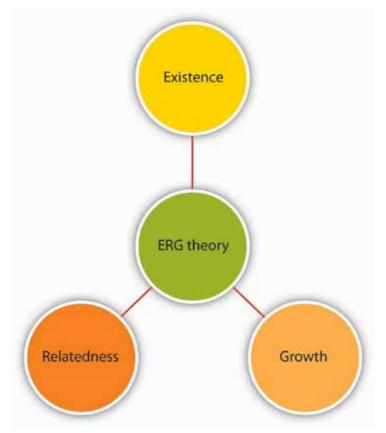
Figure 7. ERG Theory (Alderfer, 1969).

ERG theory's main contribution to the literature is its relaxation of Maslow's assumptions. For example, ERG theory does not rank needs in any particular order and explicitly recognizes that more than one need may operate at a given time. Moreover, the theory has a "frustration-regression" hypothesis, suggesting that individuals who are frustrated in their attempts

to satisfy one need may regress to another one. For example, someone who is frustrated by the lack of growth opportunities in his job and slow progress toward career goals may regress to relatedness needs and start spending more time socializing with one's coworkers. The implication of this theory is that we need to recognize the multiple needs that may be driving an individual at a given point to understand his behavior and to motivate him.

2.2 Process-Based Theories

a. Expectancy Theory

According to expectancy theory, individual motivation to put forth more or less effort is determined by a rational calculation in which individuals evaluate their situation.Porter, L. W., & Lawler, E. E. (1968). Managerial attitudes and performance. Homewood, IL: Irwin; Vroom, V. H. (1964). Work and motivation. New York: Wiley. According to this theory, individuals ask themselves three questions.

Figure 8. Summary of Expectancy Theory (Porter, L. W., & Lawler, E. E., 1968 & IL: Irwin; Vroom, V. H., 1964)

Expectancy theory is a well-accepted theory that has received a lot of research attention.Heneman, H. G., & Schwab, D. P. (1972). Evaluation of research on expectancy theory predictions of employee performance. *Psychological Bulletin*, *78*, 1–9; Van Eerde, W., & Thierry, H. (1996). Vroom's expectancy models and work-related criteria: A meta-analysis. *Journal of Applied Psychology*, *81*, 575–586. It is simple and intuitive. Consider the following example. Let's assume that you are working in the concession stand of a movie theater. You have been selling an average of 100 combos of popcorn and soft drinks a day. Now your manager asks you to increase this number to 300 combos a day. Would you be motivated to try to increase your numbers? Here is what you may be thinking:

- *Expectancy*: Can I do it? If I try harder, can I really achieve this number? Is there a link between how hard I try and whether I reach this goal or not? If you feel that you can achieve this number if you try, you have high expectancy.

- *Instrumentality*: What is in it for me? What is going to happen if I reach 300? What are the outcomes that will follow? Are they going to give me a 2% pay raise? Am I going to be named the salesperson of the month? Am I going to receive verbal praise from my manager? If you believe that performing well is related to certain outcomes, instrumentality is high.

- *Valence*: How do I feel about the outcomes in question? Do I feel that a 2% pay raise is desirable? Do I find being named the salesperson of the month attractive? Do I think that being praised by my manager is desirable? If your answers are yes, valence is positive. In contrast, if you find the outcomes undesirable (you definitely do not want to be named the salesperson of the month because your friends would make fun of you), valence is negative.

b.   Reinforcement Theory

Reinforcement theory describes four interventions to modify employee behavior. Two of these are methods of increasing the frequency of desired behaviors, while the remaining two are methods of reducing the frequency of undesired behaviors.

Positive reinforcement is a method of increasing the desired behavior.Beatty, R. W., & Schneier, C. E. (1975). A case for positive reinforcement. Business Horizons, 18, 57–66. Positive reinforcement involves making sure that behavior is met with positive consequences. For example, praising an employee for treating a customer respectfully is an example of positive reinforcement. If the praise immediately follows the positive behavior, the employee will see a link between the behavior and positive consequences and will be motivated to repeat similar behaviors.
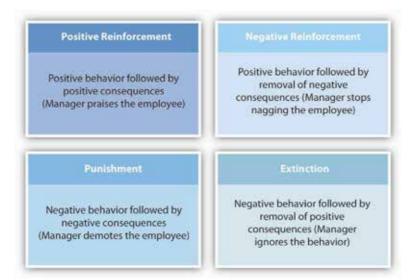
Figure 9. Reinforcement Methods (Beatty, R. W., & Schneier, C. E., 1975).

Negative reinforcement is also used to increase the desired behavior. Negative reinforcement involves removal of unpleasant outcomes once desired behavior is demonstrated. Nagging an employee to complete a report is an example of negative reinforcement. The negative stimulus in the environment will remain present until positive behavior is demonstrated. The problem with negative reinforcement is that the negative stimulus may lead to unexpected behaviors and may fail to stimulate the desired behavior. For example, the person may start avoiding the manager to avoid being nagged.

Extinction is used to decrease the frequency of negative behaviors. Extinction is the removal of rewards following negative behavior. Sometimes, negative behaviors are demonstrated because they are being inadvertently rewarded. For example, it has been shown that when people are rewarded for their unethical behaviors, they tend to demonstrate higher levels of unethical behaviors.Harvey, H. W., & Sims, H. P. (1978). Some determinants of unethical decision behavior: An experiment. Journal of Applied Psychology, 63, 451–457. Thus, when the rewards following unwanted behaviors are removed, the frequency of future negative behaviors may be reduced. For example, if a coworker is forwarding unsolicited e-mail messages containing jokes, commenting and laughing at these jokes may be encouraging the person to keep forwarding these messages. Completely ignoring such messages may reduce their frequency.

Punishment is another method of reducing the frequency of undesirable behaviors. Punishment involves presenting negative consequences following unwanted behaviors. Giving an employee a warning for consistently being late to work is an example of punishment.

Chapter III

COMMUNICATION

3.1 Understanding Communication

Understanding of communication must be seen from two points of view, namely understanding in general and understanding paradigmatically. Understanding of communication in general and even then must also be seen from two aspects, namely the understanding of etymological communication and understanding of communication in terminological terms. Etymologically, communication comes from the Latin communication sourced from the word communist which means the same. The same word that is meant is the same meaning. So in this sense, communication takes place when the people involved in it have the same meaning about the thing that is being communicated. In other words, if the people involved in each other understand what they are communicating, then the

relationship between them is communicative (Uchjana E. & Onong, 2004).

Communication is very central to all human activities; thus is because everything we do and do not, communicate. Man's interaction with other human beings is a result of communication. Communication is the key around which human life revolves. Communication is also innate; every man is born with the ability from childhood, we learn to communicate by crying, smiling, kicking etc. Communication is made up of activities of under related elements which continue to function is the communication process. The fact is that the word communication is encompassing, ambiguous and pervasive. These three words capture the universal nature of communication and make everyone think they know something about communication (Shonubi, A.O. & Akintaro, A.A., 2016).

Communication is one of the most basic functions of management, the manager can make a good decision, think out well conceived plans, establish a sound organization structure, and even be well linked by his associates. Communication is essential for achieving managerial and organizational effectiveness. Good communication helps employees become more involved in their work and helps them develop a better understanding of their jobs. Clear, precise and timely communication of information also prevents the occurrence of organizational problems. Without

communication, employees will not be aware of what their coworkers are doing, will not have any idea about what their goals are, and will not be able to assess their performance. Managers will not be able to give instructions to their subordinates and management will not receive the information it requires to develop plans and take decisions, hence communication acts as nervous system for any organization (National Institute of Agricultural Extension Management, 2020).

The world communication has been derived from the Latin word "communis", which means common. Communication, therefore, refers to the sharing of ideas, facts, opinions, information and understanding. It is the transfer or transmission of some information and understanding from one person to another. Although the word "communication" is used often, there is no consensus amongst communication experts regarding its definition. In general, it is defined as the process by which information is exchanged between individuals. The process uses written messages, spoken words and gestures. Communication can be defined as process of transmitting information, thoughts, opinions, messages, facts, ideas or emotions and understanding from one person, place or things to another person, place or thing. Organizational Behaviour seeks to examine the impact of communication on the behaviour of employees within organizations. Agricultural communication is defined as a planned transfer of farm technologies from

the research system to the farmers' system through extension system and media with a view to make desirable changes in respect of higher productivity, profitability and prosperity and also get feedback from the clients.

Figure 10. Concept of communication (National Institute of Agricultural Extension Management, 2020).

The importance of communication in any managerial process can hardly be overemphasized. If an organization is to operate as an integrated unit, it is necessary that the top management should keep the lower level supervisors and employees well-informed of its ultimate objectives and what it wants each person to accomplish towards their realization. By freely sharing information, the management takes employees into its confidence, prepares them for changes, avoids misunderstanding, and removes it if at all it develops, and makes them more knowledgeable about the problems and policies of the enterprise.

3.2   Communication Process

Communication makes possible the interaction between members of the working team. A manager should be the first to establish bridges between the members of the organization, through a careful and effective communication. Through communication, organization activities scroll correctly. A good mana-ger will use communication in order to make it understandable to convey its message receptor exactly as we think in order to obtain the expected feedback at the time of the initiation of the communicative process. All these elements form the basis of communication processes, whereby individuals of an organization will be able to establish interpersonal connections, which are be the basis of good management activities, both internally and externally (Bucata G. & Rizescu A. M., 2017).
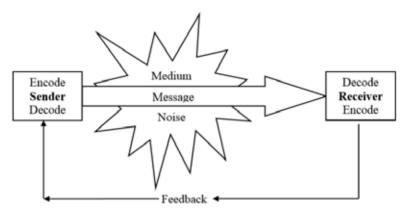

Figure 11. The communication process (Cheney G., 2011)

There are three basic types of communication namely: verbal/oral, written and non-verbal communication (Ezezue, 2007:10).

- Verbal Communication This takes place mostly in a face – to – face situation/relationship. It can also be extended to the use of instrument/electronic devices such as telephone and public address system. The most important factor is that human voice is heard.

- Written Communication This requires competence in writing and reading skills. In written communication, oral messages are translated into alphabetic symbols, words, and sentences.

- Non Verbal Communication This is communication without the use of words and letter symbols. Information and messages communicated non-verbally are neither written nor spoken instead; such messages are communicated through our physical environment, body movement, drawing and pictures including sign language. The general categories that are especially important to communication in international management are Kinesics and Proxemics (Ezezue, 2008:68).

Figure 12. Organizational Culture and Communication (Kandlousi, et al, 2010)

Communication is an asset available to each organization and must be harnessed for the purpose of attaining the aims set out which are of major importance. This asset is seen, on the one hand, as a series of products, services, brands, and performance, part of respecting the objectives of the organization and on the other hand even as personality. Permanent contact with the developing organization creates connections: whether you are with your customers, suppliers, competitors, employees, or other audiences, all of which cannot exist without a communicative potential (Slatten, Göran and Sander, 2011).

Organizational communication can be divided in two directions: inside communication and outside communication. Inside communication proposes that information transmission triggers the fulfilment, by the staff of those activities, while ensuring a stimulation of the employees towards their adhesion to the objectives of the organization. Outside communication implies contacts which have the object of business through connections with suppliers, distributors, consumers, public opinion, together with the promotion of these ties. Communication is a relational process, in which two or more parties shall exchange information, understand and influence each other; it is an indispensable element for the optimal operation of any human collectivities. This consists of the transmission, receipt, storage, processing and use of information. Communication is also a functional way of psycho-social interaction of people, achieved by means of symbols and meanings of the generalised social-reality, in order to obtain stability in times of changes of individual and group behavior. Effective communication requires specialized personnel in the field of communication, which deals with communication of information both internally and externally.

Chapter IV

STRUCTURE

4.1   Organizational Structure

Organizational structure can be affected by goals, strategy, environment, technology, organization size. These variables are key and content-based and indicate the entire organization and its position between the organization and environment. Content variables can be important as they show organization and the environment in which there are structural variables. Structural variables indicate internal features of an organization and present a basis by which the organizations can be measured and their structure features can be compared with each other. The content variables affect structural variables. Complexity, formality and centralization are important examples of content variables. Content variables affect structural variables and by their combination, different types

of structural designers are created (Ahmadya G. A., Mehrpourb M. & Nikooravesh A., 2016).

Organizational structure is manifested in organizational chart. In planning organizational structure, there are three principles:

1. Organizational structure determines formal relations and reporting in organization and it shows the number of levels in the hierarchy and it defines the span of the control of managers.

2. Organizational structure determines the position of people as working in group in a unit and it divides the units in the entire organization.

3. Organizational structure includes the design of systems by which all units are coordinated and effective relation in organization is guaranteed.

Narrow positions	Positions content widely defined
Many rules and procedures	With few rules and procedures
Clear responsibilities	Ambiguous Responsibilities
Hierarchy	
Goals and rewards systems	Subjective Systems of rewards
Objective criteria	Subjective selection Systems selection
Official and impersonal	Personal and Informal
Mechanistic	Organic
Tasks and goals known	Tasks and targets slots
Divisible tasks	Tasks indivisible
Performance by objective measures	Performance by subjective measures
Responsive and monetary rewards employees	Employees motivated by complex needs
Authority accepts as lawful	Authority challenged

Figure 13. Features and conditions of the Mechanistic and organic Structures (Silva, 2014)

a.   Functional structure

Employees within the functional divisions of an organization tend to perform a specialized set of tasks. This leads to operational efficiencies within that group. However, it could also lead to a lack of communication between the functional groups within an organization, making the organization slow and inflexible. Generally functional organization is best suited as a producer of standardized goods and services at large volume and low cost. Coordination and specialization of tasks are centralized in a functional structure, which makes producing a limited amount of products or services efficient and predictable. Moreover, efficiencies can further be realized as functional organizations integrate their activities vertically so that products are sold and distributed quickly and at low cost. For instance, a small business could make components used in production of its products instead of buying them. A disadvantage of functional groupings is that people with the same skills and knowledge may develop a narrow departmental focus and have difficulty appreciating any other view of what is important to the organization; in this case, organizational goals may be sacrificed in favor of departmental goals. In addition, coordination of work across functional boundaries can become a difficult management challenge, especially as the organization grows in size and spreads to multiple geographical

locations (Elsaid M. N., Okasha A. E. & Abdelghaly A. A., 2013).

b.   Divisional structure

Also called a "product structure", the divisional structure groups each organizational function into a division. Each division within a divisional structure contains all the necessary resources and functions within it. Divisions can be categorized from different points of view. One might make distinctions on a geographical basis (a US division and an EU division, for example) or on product/service basis (different products for different customers: households or companies).

In another example, an automobile company with a divisional structure might have one division for SUVs (Sport Utility Vehicle), another division for subcompact cars, and another division for sedans. Each division may have its own sales, engineering and marketing departments. Organizations that are spread over a wide area may find advantages in organizing along geographic lines so that all the activities performed in a region are managed together. In a large organization, simple physical separation makes centralized coordination more difficult. Also, important characteristics of a region may make it advantageous to promote a local focus. For example, marketing a product in Western Europe may have different requirements than marketing the same product in Southeast Asia.

Companies that market products globally sometimes adopt a geographic structure. In addition, experience gained in a regional division is often excellent training for management at higher levels. Large, diversified companies are often organized according to product. All the activities necessary to produce and market a product or group of similar products are grouped together. In such an arrangement, the top manager of the product group typically has considerable autonomy over the operation. The advantage of this type of structure is that the personnel in the group can focus on the particular needs of their product line and become experts in its development, production, and distribution. A disadvantage, at least in terms of larger organizations, is the duplication of resources. Each product group requires most of the functional areas such as finance, marketing, production, and other functions. The top leadership of the organization must decide how much redundancy it can afford (Elsaid M. N., Okasha A. E. & Abdelghaly A. A., 2013).

c.   Matrix structure

The matrix structure groups employees by both function and product. This structure can combine the best of both separate structures. A matrix organization frequently uses teams of employees to accomplish work, in order to take advantage of the strengths, as well as make up for the weaknesses, of functional and

decentralized forms. An example would be a company that produces two products, "product a" and "product b". Using the matrix structure, this company would organize functions within the company as follows: "product a" sales department, "product a" customer service department, "product a" accounting, "product b" sales department, "product b" customer service department, "product b" accounting department. Matrix structure is amongst the purest of organizational structures, a simple lattice emulating order and regularity demonstrated in nature. Because the matrix structure is often used in organizations using the line-and-staff setup, it is also fairly centralized. However, the chain of command is different in that an employee can report to one or more managers, but one manager typically has more authority over the employee than the other manager(s). Within the project or team unit, decision making can occur faster than in a line-and-staff structure, but probably not as quickly as in a line structure. Weak/Functional Matrix: A project manager with only limited authority is assigned to oversee the cross functional aspects of the project. The functional managers maintain control over their resources and project areas. Balanced/Functional Matrix: A project manager is assigned to oversee the project. Power is shared equally between the project manager and the functional managers. It brings the best aspects of functional and projected organizations. However, this

is the most difficult system to maintain as the sharing of power is a delicate proposition (Elsaid M. N., Okasha A. E. & Abdelghaly A. A., 2013).

4.2   The Role of Ethics

Ethics is the branch of philosophy that examines right and wrong moral behavior, moral concepts (such as justice, virtue, duty) and moral language. Ethical theories are closely related to forms of life in various social orders.

The role of ethics in management is also dependent on the level of responsibility the company is willing to take. The pro-active mode would characterize a company that believes strongly in its mission as moral (or at least for the benefit of society). It would respond as a trend setter to some of the ethical dilemmas. The re-active mode, would be the companies though aware of social responsibility, respond to immediate situations rather than anticipating them. The passive mode leads the company to deviant behavior by refusing responsibility. There are two main extremes found in the corporate world: profit on one side and human safety, which constitute an ethical spectrum.

Saremi1 H. and Nezhad B. M (2014), The fact is that providing a comprehensive in areas such as ethic regarding to physical and quantitative science that be admirable by all is very difficult work Because

this matter (ethics matters) are mostly provided in the definitions that will use of words such as value, belief, trust, good& bad or honesty and dishonesty and etc. that all are of kind of ethics but the problem is that therefore said words themselves need to be define and minuteness perhaps it can be said that providing a definition of ethic and values and their alike has been converted in to a basic problem in organizations because every organization tries to provide a closer and more satisfying definition regarding its performance and how often the performance that has been defined an anti-ethic be having high position in ethic charter of other organization particularly when the various cultures and nationalities matters is put up for discussions this ambiguity will be more powerful and rich colored .These contradictions every some time are unavoidable. For example, in a military organization the sincerity, softness with subordinates, pity and etc. Has no any place but they are part of most evident ethics points in most of organizations this means that in ethic management matter in addition for need of defining its management aspect we should be able to provide acceptable definitions by majority regarding ethics factors considered by managers and leaders. Some of reputed definitions are as follows:

1. The ethic is collection of principles and values that specify the goodness or badness of behavior of individual, group or an organization.
2. The ethic is principles and methods that specify the standards of goodness or badness.
3. The ethic is method of encounter to bad or good matters with observance of spiritual duties and responsibilities.

Table 1. Ethical Actions (K.S. Naik & Bharatraj Shetty, 2016)

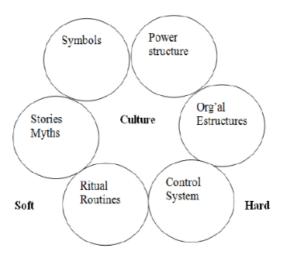| No	Management Levels	Ethical Related Actions
1	Top Management	• Communicates ethics as a priority • Sets a good example of ethical conduct • Keeps promises and commitments • Provides information about what is going on • Employees perceive that top managers are held accountable
2	Middle Management	• Communicates ethics as a priority • Sets a good example of ethical conduct • Keeps promises and commitments • Employees perceive that middle managers are held accountable for ethics violations

No	Management Levels	Ethical Related Actions
3	Supervisors	• Communicates ethics as a priority • Sets a good example of ethical conduct • Keeps promises and commitments • Support employees in following organizational standards
4	Co-workers	• Consider ethics while making decisions • Sets a good example of ethical conduct • Talks about importance of ethics • Support employees in following organizational standards • Employees perceive that non-managers are held accountable for ethics violations.

Chapter V

CULTURE

5.1 Understanding Organizational Culture

Cultures of an organization is based on the systems that may help to define how employees take decision and think (Pettigrew, A.1979). Organizational culture at its peak becomes a source of competitive advantage for organizations, since it affects commitment of people at work, both individual and collective process of learning and capability development, and it arises from the underlying assumptions, beliefs, norms, values and attitudes (Aycan et al.,1999).

Source: Organizational Culture Analysis: The Importance of Organizational Culture
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Figure 14. The Onion Model of Organizational Culture (Shahzad F., et. Al, 2012)

Organizational culture is defined as "the set of shared, taken-for-granted implicit assumptions that a group holds and that determines how it perceives, thinks about, and reacts to its various environments". Organizational culture shows the basic and radical characteristics of an organization. Thus it can become a source of sustainable competitive advantage if that culture is valuable, rare, and imperfectly imitable. Organizational culture can create values since it can simplify information processing, decrease the supervision cost and smooth the bargaining between employees. Organizational culture is related to effectiveness indicated by some important organizational

outcomes. organizational culture from four traits: involvement, consistency, adaptability and mission; effectiveness was measured by subjective and objective items. These items were mostly related to financial outcomes, except one subjective item – employee satisfaction. Organizational culture has much more influences on organizational performance by impacting the psychological states of individual employees, working groups and even the whole organization. Actually this complies with the paradigm shift to humanism in business and psychological insights should become the basis for management (Xiaoxia Zhang and Bing Li, 2013).

Figure 15. Determinants of organizational culture (Ceausu I., et. Al, 2017)

1. Values: Freedom, risk taking, trust, openness, creativity, flexibility, lifelong learning.
2. Strategy: Innovation as a strategic goal, strong customer identification, future orientation.
3. Structure: Autonomy, flexibility, collaborative teams and group interaction, transparency
4. Behavior and Communication: Support, tolerance of mistakes, opening up new ideas, the ability to adopt new ideas, rapid adaptation to market changes, trust relationship, emphasis on key competences.
5. Leadership: Focus on innovation management and modelling behavior that encourages innovation, such as risk-taking, innovation support and rewarding initiatives. Leadership emphasizes the decisive role of higher management in delivering innovation by setting direction and engaging people to achieving the goals of change. In this sense, it is essential to develop an innovation strategy and create an organizational culture that encourages innovation across the organization.
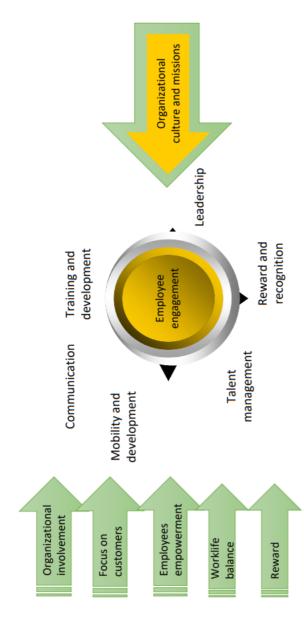
Figure 16. Determinants of organizational culture (Wahyuningsih S. H., et. al. 2019)

Culture makes up of basic values, beliefs, and principles that lay grounds for organizational management system, and a set of management practices and behavior that become precedence for later behaviors. Organizations with market focus and opportunistic nature often have problems with internal integration. On the other hand, organizations with capability of integration and control might have difficulty in adaptation to their environments. Organizations with top-down vision often find trouble in focus on empowerment and "bottom-up" movement, while organizations driving for wide participation often find difficulty in determining direction. The effective organizations are those that are able to settle these contradictions without relying on a simple trade-off.

5.2   Characteristics of Organizational Culture

Characteristic of Organizational Culture (Himmer, 2013).

- Collective: It is assumed that cultures are not created by individuals alone, but as a result of collective actions. Belonging to a culture involves believing what the group believes and handling things the way they handle them.
- Emotional: The substance and forms of culture are filled with emotions as well as meanings, which is why they help to manage and overcome anxieties.

Members of a group seldom doubt the core values and attitudes of the organisational culture.

- Historic: Cultural phenomena are connected to the history of the organisation and its traditions and cannot be separated or changed rapidly.

- Symbolic: Symbols are on the one hand a specific type of cultural form, but on the other hand they are the most general and persuasive form of culture. Furthermore symbols are not directly seizable, but have to be interpreted in order to understand their meaning.

- Dynamic: Even though culture is connected to the organisation's history it still is not static, but rather dynamic. Culture changes continually due to several factors.

- Diffuse: The more complex the circumstances are, the more diff use the elements of organisational culture will get.

Zeyada M. (2018) Organizational culture is characterized by a set of characteristics that derive from the characteristics of the general culture on the one hand, and administrative organizations, the characteristics of the other. You can determine the characteristics of the organizational culture of the following:

- Culture is an acquired process which is acquired through interaction and friction between individuals in the work environment and through

culture we can predict the behavior of individuals based on their culture.

- The culture of the organization is a humanitarian process where man is considered the main source of it, that is, it is of his own making and without it is not there is culture.

- Culture is a cumulative and continuous system as each generation of the organization works to deliver it to subsequent generations learn and inherit generation after generation.

- Organization culture a composite system consisting of a set of components or subcomponents interacting with one another in a composition.

The culture of the organization includes the following elements

- Moral aspect: It represents the ethics, values, beliefs and ideas borne by individuals.

- The behavioral aspect: It is the customs and traditions of members of society, arts, arts and various practices.

- Physical aspect: Everything that the members of society produce is tangible.

- The culture of the organization has the property of adaptation; it is a flexible system that has the ability to adapt to human biological and psychological demands And with the geographical environment surrounding the organization.

- The organizational culture reflects the prevailing organizational climate in terms of methods and methods of participation in decision-making, dealing with clients, attitudes and feelings of senior management towards employees, as well as the language of administrative discourse and terminology used within the organization.

- That the culture of the organization contributes, and affects the formation of the message of the organization is a function in its culture.

- Culture is an integrated system; it is an integral whole and seeks to create harmony between the sum of its parts, any change that occurs any aspect of life affects the cultural pattern of the organization and society.

- Organizational culture has the characteristic of change due to its impact on environmental and technological changes, but the process of change may meet some difficulties for individuals to return to a particular behavior pattern.

Hofstede's (1980), used the gathered data from IBM employees more than 50 countries and classified organizational culture into four dimensions;

- Power distance (the degree in which employees and management have distant relationship, formal and informal)

- Individualism (the degree in which people may create difference between interest of organization and self-interest)
- Uncertainty avoidance (the level in which people are willing to mitigate the uncertainty and tolerant of ambiguity)
- Masculinity (the level in which define the success as ambition, challenge and insolence, rather than caring and promotion)

Later on a study conducted by Hofstede & Bond (1998), added fifth dimension as short term versus long term orientation which based on the study among the student of 23 countries with the help of questioner. The scholars and practitioners related with the field of organizational behavior have a strong criticism on the Hofstede's study (Sondergaard, 1994). Schwartz (1994) builds a cultural value signifying the relationship among cultural factors and personality in the organization. He developed a model which is based on the Hofstede's (1980) studies and collected data from the respondents of 38 countries. He fined two different dimensions of culture; affective & intellectual and self enhancement vs. self-transcendence. He categorizes cultural standards of societies into contractual culture and relationship culture on the basis of life and work. According to the study conducted by Trompanaars (1993), involved 30 companies in 50 different countries, identified seven

dimensions of the culture which are universalism versus particularize; diffuse versus specific, neutral versus emotional, individualism versus communication, ascription versus achievement, attitude to time and last one is attitude to the environment. This seven dimensions' model may support well for Hofstede's model (Shahzad F., Luqman R. A., Khan A. R., Shabbir L. 2012).
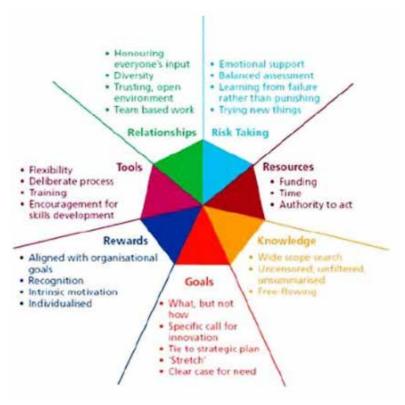

Figure 17. Dimensions of innovation culture (Szczepańska-Woszczyna, 2014)

Maher (2014) has identified seven key dimensions of culture that distinguish highly innovative organizations. These form a framework which leaders can use to assess and strengthen the culture for innovation within and across organizations:

- Employees should have a sense that they can try out new ideas without fear that an ill-advised idea will entail negative consequences; leaders of innovative organizations should be more interested in learning "by mistakes" rather than punishing employees for ill-advised ideas

- It is better when mistakes are made when an idea is implemented, rather than when there are no mistakes because there are no ideas;

- A positive approach to innovation is greater if employees know that they have the support of superiors and independence in action while they develop innovative ideas, as well as that they can make use of financial resources to support the innovation processes;

- Knowledge is the primary resource for innovation; one can create better conditions for innovation, where information from both inside and outside the organization is widely and systematically collected, easily and quickly accessible and clearly communicated;

- As the relevant literature shows, objectives may actually promote innovation; leaders of the organization should give a clear signal that innovation is highly desirable, by setting ambitious goals in different areas and establishing motivated teams to find ways to implement the vision;

- The support for innovation lies within symbols and rituals, whose main objective is to identify innovative behavior; an incentive for this type of behavior are symbols and rituals, that refer to internal and individualized motivation of individual employees;

- In organizations with high innovation-based effectiveness, innovation is a product of the intended use of practical tools; leaders must consider how to build potential and capability in employees that are aware of methods of creative thinking, management and implementation of ideas;

- A dimension of the relationship, which refers to the models of interaction within the organization; innovative ideas are rarely the product of a lone genius, therefore building a collaborative environment, accepting different ways of thinking, different viewpoints and diversity provide a good basis for the growth of innovation.

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