

## **Thoughts on the possibilities of empiric study of organisational culture and competences**

*Málovics János<sup>1</sup> – Málovics Éva<sup>2</sup>*

*In the special literature we can often read about the interaction of organisational culture and competences. Culture and competences are considered important parts of the conditions of organisational success by the management literature. In our opinion the mechanism of the impact between culture and competences has not been discovered or empirically completely proven as of yet. The aim of our research was the completion of the above mentioned gap, therefore we researched this topic in a pilot study, the results of which we present in this article.*

### **1. Introduction**

In professional literature you can often find thoughts about organisational culture having cardinal importance on the competences of organizations and their members. These factors define the successful survival of organisations, the perceived quality of service, and the satisfaction with this service. The empirical analysis of this coherence has not been performed yet and its theoretical cogency is also disputable.

Neither in the literature of culture or in the literature of competence has any consensus evolved about a definition either, however, the practical application of these two areas are being carried out without any agreement in the scientific part.

The leaders of organizations, practitioners, consultants and researchers are greatly interested both in the measurement and the modification of organisational culture, and in the development of competencies as well. Thus, the research about connections among the topics mentioned in the title is required from both theoretical and practical sides.

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<sup>1</sup> János Málovics, Délalföldi Regionális Munkaügyi Központ (Szeged)

<sup>2</sup> Éva Málovics, University of Szeged, Faculty of Economics and Business Administration, Faculty of Business Studies (Szeged)

## **2. About organisational culture**

Organisation researchers took over the concept of culture from anthropology and they have not succeeded to frame a consensus concerning its meaning and conceptualization as of yet. In this study we do not deal with the numerous interpretations and conceptualisations of culture, from our point of view, the integration approach, used commonly in business sciences, is important. Therefore, we will continue with a brief exposition of it.

The most complex concept of organisational culture in integration approach was formed by E. H. Schein, who defined culture as:

“(...) a pattern of basic assumptions – invented, discovered, or developed by a given group as it learns to cope with its problems of external adaption and internal integration – that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems“ (Schein 1985.)

Conclusions that can be drawn from the definitions: culture determines how members of an organisation perceive reality, how they think of it, and their feelings in connection with it.

According to this approach organisational culture is the source of consistency inside of an organisation and it also helps members to explain the inner characteristics and outer surroundings of the organisation homogeneously. Its main representatives are E. H. Schein, G. Hofstede, Deal and Kennedy. According to these approaches organisational culture encourages members to agree on what, why and how must be done, and it also helps to form the understanding and identity of the organisation. The culture works like an integrating mechanism that keeps the numerous variations of individual behaviours within bounds. The common part of these numerous definitions is that the culture is considered to be a system of assumptions, values and beliefs that are shared by the members of the organisation. Thus culture works like a certain kind of a social bonding material that holds theoretically discordant groups and individuals together since it restricts the enforcement of individual ambitions and interests. How narrow or wide the restrictions are actually depends on the characteristics of the culture.

According to this concept, the parts of culture are consistent, therefore culture is a source of harmony to a certain degree. The basis of this harmony is provided by the common norms and values. This approach considers it the role of the management to create and form culture. Empirical investigations often examine the values deemed important by the management, and consider these to be deterministic.

Representatives of this approach agree that culture is made up of different levels, the elements of a certain culture are integrated by premises and fundamental assumptions. Some of them are easily recognisable, they appear “on the surface” and can be studied. Others are hidden more deep in the culture, they can not be easily

identified, however, they are needed to understand the substance of culture. (Schein 1985). G. Hofstede's (1991) researches proved, that organisational culture can not be explained all by itself but only as a part of several force fields. Within the organisation, a leading role is played by the values and norms deemed important by the management. In other words, leadership culture plays a defining role, however, the organisation itself has reflexion on it.

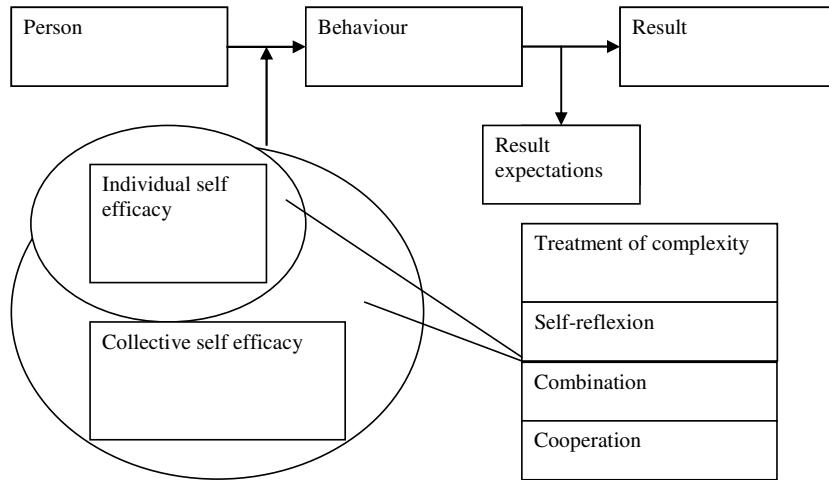
Deal and Kennedy (1982) emphasised the importance of strong cultures, stating that „culture is power”. They consider culture the most important factor in the formation of commitment and enthusiasm. According to them managers have a task to plan and mediate the culture to the members of the organisation. According to this approach, the primary question is how managers can generate a feeling in their people that they are working on something rational and useful. In the process of generation, a key role is paid by attention paid to employees and the attainment of common values and norms.

### **3. The connection between culture and competences**

Special literature has extended the notion of competence to several levels of the organisation, and there is also vivid discussion about it among the researchers. The topic of individual competences have been important for the management for a long time now, because they have undoubted impact on the performance of organisational members. The concept of competence was extended to social systems as well, and for example literature mentions organisational competences as the main factor of competitiveness. The subjects of organisational knowledge are of course organisational members and their competences, and the organisational culture (which includes norms, values, myths, stories). Several authors consider values, norms and shared mental models to be competences. (Schreyögg 2003)

In our study we would like to shed light on the reaction between organisational culture and competences. In order to achieve this, as a first step we applied a questionnaire of the German special literature, created by Uta Wilkens (2006) for the measurement of individual and collective competences. U. Wilkens and her partners operationalised the dimensions of the social cognitive theory according to figure 1:

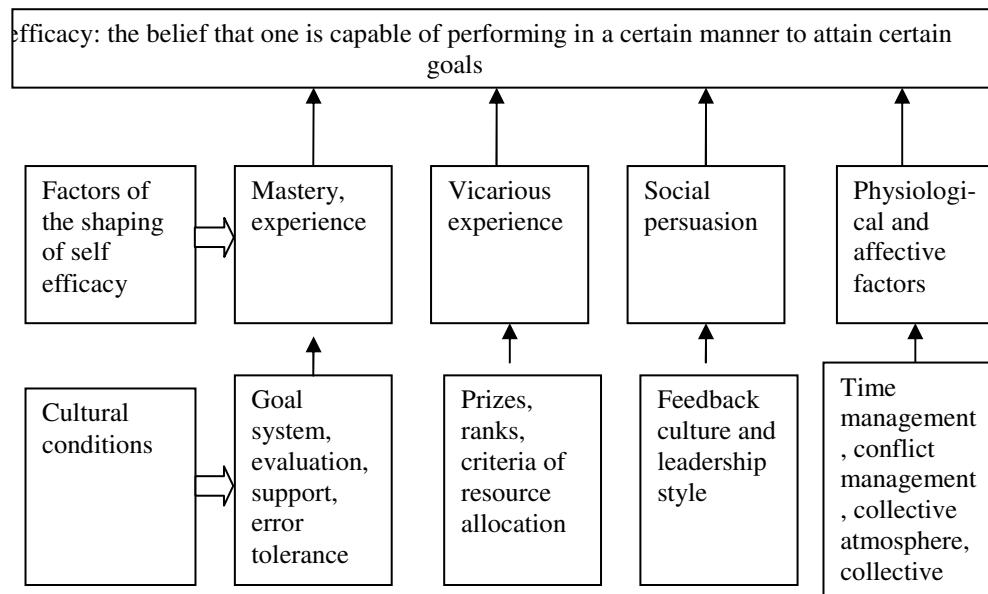
*Figure 1.* The dimensions of competence based on the social cognitive theory



*Source:* Wilkens et al. 2006.

In order to better grasp the reactions between organisational culture and competences, we applied A. Bandura's (2001) model, which has been well-confirmed by experiments. This model also contains the factors for improving individual and collective competences. Bandura assumes a strict connection between individual and collective self efficacy. The investigated relationship is shown in figure 2:

*Figure 2. The effect-mechanisms of organisational culture that have an impact on efficacy*



Source: Own creation based on Wilkens (2004)

The corresponding literature specifies several effects that the organisational culture has on organization members. We accept the idea that is rather widespread in German special literature which states that the efficacy described and experimentally well-confirmed by Bandura is a key competence - the high status of which is the base of individual competence. According to the connections described in the figure above, Bandura's well-confirmed efficacy-improving factors are derived from certain cultural dimensions.

The effect that has the most impact on efficacy should be those mastery experiences that we acquire at the workplace on a daily basis, the kind of which depend on the organisational culture. In the world of work, the base of mastery experiences is provided by the setting of obtainable, yet challenging goals; that is, if a compromise with leaders concerning goals and deadlines is common in the organization, and there is also a constructive feedback on the acquiring of these goals, and furthermore, creative errors are not sanctioned, then that presumably improves members' efficacy.

The other factors with a great impact on efficacy are vicarious learning, model application, and the experiences of social comparison, that is learning by observing others' behaviour and the corresponding consequences. A central category of learning by using a model is substitutional confirmation. This means that a

person, who has just observed that another person, who is in some way subject to the model, had been rewarded, will also learn that proper behaviour. (Bednorz-Schuster 2006.) This experimental result naturally raises the question that which model is to be adopted. In order to answer this, several studies have been carried out. Out of the assumptions summed up by Secord and Backman (1981), the following are important for our topic:

1. We select that particular person as a model, whose behaviour receives substitutional confirmation.
2. A person is chosen as a model because he himself hands out and checks rewards.
3. A person is chosen as a model because his social roles are deemed similar by the imitators to their own.

Bandura (1970) does not limit model learning only to cases where the observation of a particular behaviour actually occurs, but instead extends it to those learning forms where the individual meets behaviour samples in a symbolic way. "A great part of a culture's behaviour samples are supplied by learning from a model, which gains significant stability during adulthood. Naturally, learning by confirmation and by a model both play an important part in this process. (...) We do not only gain behaviour forms from the model, but norms and samples as well, which control our behaviour." (Bednorz-Schuster, 2006.)

The effect that discrepant practice has on model imitation was also examined. Those models that allowed themselves much freedom when it came to keeping themselves to norms, while still setting a rather high level of performance for others to follow, were barely imitated. An interesting experiment concerning model learning was carried out with nurses. (Bednorz-Schuster 2006.) The question of the study was if it is possible to enlengthen the interaction between nurses and patients by model behaviour.

In the psychiatric institute where the research has taken place, social interaction classes were introduced with the participation of both nurses and patients. During these classes table tennis and Monopoly could be played. Model behaviour was first caused by the presence of the two psychologists of the institute: 40% of the staff took part in the game. In case of the presence of the head nurse, this amount has risen to 70%. The same ratio was observed six weeks later. However, when no model took part in the games, the ratio dropped to 3%. Naturally we can clearly see that learning by model imitation is mixed with other factors. Participation while the head nurse is present could also be motivated by the fact that the nurses' rewards depend on the head nurse. In conclusion, if the behaviour of the leaders is considered to be a model by the employees, that has an effect on their efficacy.

The third influencing factor is verbal information sharing, which in our case is feedback culture within an organization, considered to be a part of the leading style. If regular and constructive feedback are present in the leading style, that has a positive effect on employees' efficacy.

The fourth influencing factor is the person's physical and emotional status, which, in our opinion, is in close relationship with collective atmosphere, time- and conflict-management within a work-organization.

#### **4. Results of empirical researches**

In order to measure the connection mentioned above we used the appropriate parts from two questionnaires. One questionnaire was created by U. Wilkens to measure individual competences, and the other one was our very own created on the basis of an SHL idea to measure culture developing competencies. Measuring instruments were tested at two faculties of the university with online questioning. The questionnaire was completed by 32 people, 12 men and 21 women.

The Cronbach - Alpha values of the items used in the questionnaire, which measure culture dimensions were between 0,7 and 0,9, thus their reliability can be considered suitable. The first part of the other instrument used for measurement was made up of the items already tested by R. Schwarzer in an international panel and were considered to be valid. These were used to measure individual self efficacy. The Cronbach – Alpha values of the items of the dimensions worked out by Wilkens turned out to be too low, which indicates reliability problems. The authors have experienced similar problems using the German sample. Results can be found in table 1.

*Table 1.* Cultural factors developing competencies and competence expectations

Faculties						
	1st Faculty		2nd Faculty			
Total						
Cultural Features	Mean	Deviation	Mean	Deviation	Mean	Deviation
Endowment	3,6	0,6	3,6	0,8	3,6	0,8
Delegation	3,5	0,7	3,8	0,8	3,7	0,7
Targeting	3,2	0,6	3,5	0,6	3,4	0,7
Aim access	3,4	0,6	3,5	1,0	3,4	0,9
Mentor-models	3,4	0,8	3,6	0,9	3,5	0,8
Feedback - culture	2,6	0,9	3,3	1,0	3,0	0,9
Group climate	3,4.	0,6	3,5	1,0	3,5	0,8
Competence expectations						
Self efficacy	3,0	0,5	3,0	0,6	3,0	0,6
Handling Complexity	2,8	0,4	2,7	0,6	2,7	0,5
Reflexivity	2,5	0,6	2,7	0,6	2,6	0,6
Combination	3,3	0,5	3,1	0,7	3,2	0,6
Cooperation	3,0	0,5	3,1	0,6	3,0	0,6

*Source:* own creation

Significant difference between the faculties can not be found either at the area of culture or competence dimensions. On the basis of the results it is presumable of the discriminancy analysis that there is difference between the faculties in performance-feedback. We have not found correlation between competencies and culture developing competencies.

## 5. Summary

In this study we attempted to examine the competence developing impact of organisational culture in the areas of both theory and practice. Both categories are complex, disputable, and uneasy to measure – in fact, some authors consider them to be immeasurable. The development of competences happens as a result of reactions between the individual, the organisation, and society. In spite of this in special literature one can find the opinion that competencies of the members of the organisation can be developed. This is one of the managers' tasks and one of the

most effective instruments to achieve this is culture. In this study we have showcased the first steps of our research in this field as we looked for and tested theoretical models and research instruments. The question of the research can not be answered by the adoption of a sample of such size, however, it was realised that we have to change our instruments of measurement and we now plan to complete our following research using qualitative research methods.

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