

ORGANIZATIONAL CULTURE AS A POINT FACTOR IN CREATING ORGANIZATIONAL DEVELOPMENT

Ardiana Trisnawiana

STISIP Widyapuri Mandiri Sukabumi

ARTICLE INFO

Keywords:

Organizational development,
organizational culture

E-mail:

ardiana@stisipwidyapuri-smi.ac.id

ABSTRACT

Corporate culture is considered to have the power to influence change, making it a driving force for company growth. The purpose of this research is to ascertain how important organizational culture is in promoting healthy organizational development. The research method used in this study is a qualitative research technique and data analysis for literature review. The results of this study indicate that organizational culture has both beneficial and unfavorable influences on organizational sustainability between employees and leaders. Company culture influences the perspectives, attitudes, and behaviors of employees that are relied on and used in everyday tasks, such as getting work done. When negative cultural attitudes are developed, they have an effect on how the organization operates. A new approach is needed in organizational development to obtain more comprehensive and reliable information regarding the relationship between organizational culture and organizational development.

Copyright © 2023 Economic Journal. All rights reserved.

is Licensed under a [Creative Commons Attribution-NonCommercial 4.0 International License \(CC BY-NC 4.0\)](https://creativecommons.org/licenses/by-nc/4.0/)

1. INTRODUCTION

Organization can be described as “A system of consciously coordinated activities” (Chester Barnard, 1996). Organization is not simply a system of coordinated activities or a social unit, according to Stephen P. Robbins, who also emphasizes that there are relatively identifiable boundaries and that these boundaries work continuously relative to each other to achieve a goal or set of goals. Pressure from the internal and external environment forces all organizations to change and grow. Even if there are more environmental changes, more organizational changes are usually required. Organizations can change their goals, strategies, technologies, work designs, structures, procedures and personnel. Always, especially when it comes to the software aspect of the organization, changes on the organizational side are accompanied by changes in personnel.

In general, the internal and external elements of the organization serve as the main source of change triggers. According to Drucker (1993), an organization can find renewal from a variety of sources, including the unexpected, incongruity, innovation based on process requirements, changes in industry or market structure, demographics, changes in perceived moods and meanings, and new knowledge. Drucker identified internal and external unpredictability, emergence of irregularities, innovation based on process requirements, changes in industry structure or market structure, demographics, changes in perceptions, moods, and meanings, and new knowledge as major sources of demand. organizational renewal. All of this will generate a demand for the organization to grow. Hussey argues that factors such as accelerating technological change, increasing globalization of competition, rising customer expectations, shifts in national demographics, the ongoing privatization of community-owned businesses, and stakeholder demands for greater value all act as catalysts for change. Meanwhile, Kreitner and Kinicki note that the need for change is influenced by internal and external forces, including human resource issues/prospects and managerial behavior/decisions. Internal forces include demographic factors, technological advances, market changes, social and political pressures, and market changes.

Organizations are able to adapt by making reactive, planned, or proactive adjustments in response to internal organizational factors (Hardiyansyah & Ade Firmansyah, 2017). Understanding the importance of culture in organizational life is considered very important in the context of organizational growth. It is thought that organizational culture is a strength. Organizational culture, at the very least, fosters a sense of internal unity. The organizational culture in question contains the essence of the existence of the organization. According to Pacanowsky & Trujillo in their book *Organizational Communication Theory* (Mamlu'ah, 2017), culture is a way of emotional & psychological atmosphere which includes morale, attitude, level of productivity of employees or members of the organization

concerned. In this case, the word "culture" itself does not refer to things such as one's ethnicity, ethnicity, or cultural background. The actions, rituals, discussions and other symbols present in an organization and the interpretations that its members give to these various symbols make up the culture of the organization. Through interactions between managers and employees, corporate culture can be understood and given meaning.

Japan is a country in Asia that values and emphasizes change. This nation always educates its people to pay attention and get used to changes because they have been exposed to their culture from an early age. Japan is considered a very innovative and creative nation in all fields. Japanese society has long since modified the 5N principles (Watch, Niteni, Niru, Nambahi, and Nengeri) in terms of civilization. Just look at how the Japanese write and speak. Chinese characters called kanji are used in Japanese. As one of the uniqueness of Japanese culture, mandarin and Chinese characters are transformed into Kanji characters. The Japanese are tech savvy. The creations of the children of the Japanese nation have produced machines that are not entirely the result of their inventions. Western technology has resulted in many new advances in technology. Wibowo (2007) asserts that the most effective firms concentrate on actions that acknowledge changing circumstances. An organization is called a learning organization if it succeeds in acquiring, disseminating, and applying knowledge that can be used to support and accept change. As a learning method for all employees, organizational learning is a culture that is consciously ingrained and lives its own life. Therefore, the purpose of this research publication is to evaluate the extent to which the success of organizational culture influences organizational development well. with the aim that businesses and organizations pay more attention to the culture that is developed between subordinates and superiors so that it has a positive impact on the survival of the organization.

2. LITERATURE REVIEW

Definition of Culture and the Concept of Organizational Culture

Edward Burnett Tylor defines culture as a multifaceted complex that includes information, beliefs, art, morals, laws, conventions and other capabilities that a person acquires through participation in a particular society. Sulastri & Achmad (2022) argue that culture serves as a conduit for the expression of people's ideas, preferences and creations. Herskovits, on the other hand, said that culture is superorganic even though opinions are genetic and passed down from generation to generation (Agung Wahyu Handaru, 2011; Achmad, 2023). The definition of organization given by Mathis and Jackson in Erni Rernawan's book (2011) is as follows: "Organization is a social unit according to a group of people who interact with each other from an exclusive pattern as a result of each member of the organization having its own function and task, into one unit that has a specific purpose and has clear boundaries, so that it can be separated. According to Louis A. Allen, "organization becomes the process of determining and grouping work to be done, deciding and delegating authority & responsibility with the aim of enabling people to work together effectively to achieve goals" (Effendi, 2011; Soeradi et al., 2023).

When dealing with external adaptation and internal integration has progressed well enough to be believed to be valid and therefore, to be taught to new members as a way of perceiving, thinking, and feeling using the cases they face, organizational culture as an archetype is created, invented, or developed by certain groups (Hasanah & Aima, 2018). Organizational culture is explained by Susanto (1997) as a value that becomes a standard for the implementation of tasks and behavior of HR in organizations. According to Matsumoto (1996), organizational culture is a combination of attitudes, values, beliefs, and behaviors passed down from one generation to the next by individuals or groups of people. According to Hansen & Wernerfelt, 1989; Schein, 1990 in Lok & Crawford, 2004, organizational culture should influence how people think and behave when making decisions about their goals, both personal and professional (Hansen & Wernerfelt, 1989; Schein, 1990). Individual and organizational evidence is developed within the organization through the interaction of cultural variables (Reeder, 2020).

Functions of Organizational Culture

Regarding the interpersonal component, culture serves as the social glue that holds the organization together by upholding the high standards that all employees must say and do. Finally, culture serves as a process for generating meaning and controlling employee behavior (Gordon, 1991; Muliawaty et al., 2022). Workplace culture serves as the social glue that helps employees work together to achieve organizational goals. It can also serve as a means to regulate employee behavior (Pratami & Damayanthi, 2018). Culture has five goals, according to Robbins (in Sulaksono Hari, 2015; Mariane et al., 2022):

- a) Culture establishes clear differences between different organizations.
- b) Culture contributes to a sense of self-identity among organizational members.

- c) Culture promotes the development of commitments that go beyond self-interest.
- d) Culture fosters organizational cohesion by defining norms that can be followed by staff members.
- e) Culture influences and shapes employee attitudes and actions.

Organization Development

Organizations often experience positive tantrums originating from within the organization and from the surrounding environment, which may be a sign that the organization is experiencing setbacks (Sutarto, 2002:414). According to McGill (1982:3), the process of building an organization is a slow and intentional process of gathering the resources needed to achieve the goals of the organization (Sartika & Pragiwani, 2020). An organization uses situational or contingency strategies to continuously implement a number of systematic change plans as part of organizational development to improve organizational performance. System targets are given more weight in organizational growth.

Some of the objectives of organizational development include: a. Ensuring that the organization can respond to environmental changes and adapt more effectively; b. Promoting cooperative working relationships between employees of the organization; c. Ensure that the organization has the capacity to deal with problems that arise; and d. Ensuring that communication within the organization is not disturbed. Increase the morale of employees of organizational members and their capacity to generate themselves

3. METHODS

The type of method used in this research is a qualitative research approach. This method is a method or research procedure with the results of data in the form of writing originating from observations of a behavior (Yulianah, 2022). The subject of this study is the correlation of the existence of organizational culture for organizational development. the data collection method used was a literature study, in which the researcher carried out a series of activities starting from collecting data, reading and recording the necessary data which was then analyzed.

4. RESULTS AND DISCUSSION

Organizational Culture Creating organizational development

The findings from this study, which show that organizational culture influences the perspectives, attitudes, and behavior of members, are presented in this section. In many ways, the recent resurgence of interest in organizational culture has proven what scholars studying organizational development have long hypothesized: namely, that fundamental beliefs and principles often form the basis of organizational systems and structures. A researcher or change agent must first look at the relationship between underlying values, organizational structure, and individual meaning in order to understand or change an organization. The growing use of a cultural perspective is characterized by this methodical viewpoint coupled with a constant concern for visions, values, and beliefs (Woodman, 1989).

If cultural values can influence attitudes, opinions, and behavior in a beneficial way, it will have an impact on the results that will be obtained by the organization. However, if the organizational culture does not serve the proper purposes, it may have an impact on how well the organization operates. In addition, behavior that affects a person's performance in terms of willingness, ability, and availability to work in an organization is one of the ways in which organizational culture emerges. Therefore, this organizational culture increases the perception of having the ability to influence the activities and behavior of organizational members within the organization (Purwanti et al., 2019).

Employees must understand and use a positive organizational culture in their behavior, attitude and point of view so that they can understand it and use it as a guide for their daily work with positive behavior in completing their tasks. According to Wirawan (2007: 37), who agrees with him, an organizational culture that is conducive to employee engagement, work ethic, and satisfaction with results will help the organization grow in the right way. Organizations with a strong culture will bind their members to be more productive, judging by their structure. Therefore, organizational culture can influence creativity and motivate employees to carry out their obligations (Hasanah & Aima, 2018). Regarding organizational growth, it is important to recognize that an organization may not reflect just one culture but rather a mix of all the different types of culture, with some types dominating others. Paradoxical value combinations often occur in companies, according to research by Cameron, Kim S. & Quinn, Robert E. (1999) and others. This framework classifies culture into broad categories based on common features shared by all social systems instead of trying to highlight the distinctive qualities of organizational culture (Holstede, 1980; Hofstede et al. 1990; Ouchi, 1981) (Risqi & Perwira, 2021). This typology is based on general

Characteristics of organizational culture.

The application of the model at many levels of analysis is one of the features of the value-competitive culture model that is of most interest to practitioners and researchers. The competing values model has proved particularly helpful in this regard for explaining leadership effectiveness theory and for presenting a set of leadership roles and related skills (Quinn, 1988; Quinn, Thompson, Faerman, & McGrath, 1990). While applicability at multiple levels is a key factor in any useful model of organizational development.

Creating Change for Organizational Development

Making change rather than waiting to be changed by someone else is the best course of action when responding to change. That is, the organization makes strategic decisions to improve and at the same time make adjustments or organizational development based on the findings of the SWOT analysis. Organizations can first identify organizational development patterns according to their competencies and capabilities. The change action plan failed miserably because not all models of organizational development could be carried out by HR because their skills and competencies were apparently not sufficient for this purpose. Second, for well-planned change patterns using long-term forecasting techniques or futuristic measures, OD patterns depend on changes being implemented that are more anticipatory, not reactive. Third, planning for the creation and implementation of strategic actions enables greater environmental adaptation, including the capacity to respond to environmental changes both internally and externally..

5. CONCLUSION

An understanding of organizational culture stems from the fact that it helps ensure the long-term sustainability of the organization. To illustrate organizational culture, this publication presents a series of coordinated studies based on a model of competing values. Given the various elements that influence whether culture exists in an organization, it is important to consider how organizational culture influences organizational development from various angles. Therefore, the main method is needed to collect the right data to assess the effectiveness of organizational culture in organizational development. However, organizational culture has a conceptual design, specifically the process of social interaction that is mostly focused on solving occasional problems. The cultural tools it produces continue to be passed down from generation to generation..

REFERENCES

- [1] Achmad, W. (2023). MSMEs Empowerment through Digital Innovation: The Key to Success of E-Commerce in Indonesia. Daengku: Journal of Humanities and Social Sciences Innovation, 3(3).
- [2] Agung Wahyu Handaru, N. A. (2011). Hubungan Antara Budaya Organisasi Dan Motivasi Dengan Pengembangan Karir Pegawai Di Biro Kepegawaian Dan Organisasi Tatalaksana Kementerian Pekerjaan Umum Jakarta Selatan. Jurnal Riset Manajemen Sains Indonesia (JRMSI) -, Vol. 2, No, 18–33.
- [3] Barnard, Chester I, (1978) The Function of The Executive Edisi ke-50 Cambridge Massachusetts Harvard University Press.
- [4] Cameron, Kim S. & Quinn, Robert E. (1999). Diagnosing and Changing Organizational Culture : Based on The Competing Values Framework, New York, Addison-Wesley
- [5] Davis, B, Gordon .(1991). Sistem informasi manajemen. Jakarta : PT Pustaka Binaman Pressindo.
- [6] Drucker, Peter E. (1993).The Practice of Management. New York: HarperBusiness
- [7] Effendhie, M. (2011). Pengantar Organisasi. Organiasi Tata Laksana Dan Lembaga Kearsipan,1–90.http://www.pustaka.ut.ac.id/lib/wp_content/uploads/pdfmk/ASIP420902_M1.pdf
- [8] Hansen and Wernerfelt.B, (1989) Determinations of Firm Performance : The Relative Performance of Economic and Organizational Factors, Strategic management Journal, vol.10 no.5
- [9] Hardiyansyah, & Ade Firmansyah. (2017). Analisis Pengembangan Organisasi Melalui Proses Diagnosa Dengan Model Weisbord. DAYA SAING Jurnal Ekonomi Manajemen Sumber Daya, 19(2), 152–162.
- [10] Hasanah, R. U., & Aima, M. H. (2018). Pengaruh Perubahan Organisasi, Budaya Organisasi Dan Motivasi Terhadap Kinerja Pegawai Badan Manajemen Pusat Pengkajian Dan Pengembangan Islam Jakarta. Jurnal Ilmiah Manajemen Dan Bisnis, 2(1), 71–89
- [11] Hellriegel, Don, John W. Slocum Jr., Richard Woodman. (1998). 8 th edition. Organizational Behavior. Palo Alto: South Western College Publishing

- [12] Hofstede, G. (1980). *Cultures consequences: International differences in Work-Related Values*. Beverly Hills, CA: Sage
- [13] Hofstede, Geert & Gert Jan Hofstede (2005), *Culture and Organizations Software of the Mind*, McGraw-Hill
- [14] Lok, Peter dan Crawford, John. (2004). "The Effect of Organizational Culture and Leadership Style on Job Satisfaction and Organizational Commitment". *The Journal of Management Development* (23) : 321-337
- [15] Mamlu'ah, A. (2017). Pengembangan Budaya Organisasi Pesantren dalam Manajemen Pendidikan Islam. : *Jurnal Pendidikan Islam*, 2(1), 2-13.
- [16] Mariane, I., Erna, E., Yusuf, Y., Ardiati, R. L., & Achmad, W. (2022). Implementation of Good Environmental Governance in Handling Waste in Watersheds (DAS). *Res Militaris*, 12(2), 3455-3463.
- [17] Matsumoto, D. (1996). *Culture and Psychology*. Pacific Grove, Ca: Brooks/Cole.
- [18] Muliawaty, L., Firdausijah, R. T., & Achmad, W. (2022). Implementation of Waste Management Policies by the Main Waste Bank in Realizing the Effectiveness of the Waste Program in the City of Bandung. *resmilitaris*, 12(2), 1906-1913.
- [19] Ouchi, W.G. (1981). *Theory Z: How American Business can meet the Japanese Challenge*. New York: Publisher of Bard, Camelot, Discuss and Flare Book.
- [20] Pratami, L. A. R., & Damayanthi, I. G. A. E. (2018). Budaya Organisasi Memediasi Kualitas Penerapan Sistem Informasi Akuntansi dan Kepercayaan Teknologi Informasi Pada Kinerja Karyawan. *E-Jurnal Akuntansi*, 22, 1032. <https://doi.org/10.24843/eja.2018.v22.i02.p08>
- [21] Purwanti, A. R., Hidayat, N., & Sutisna, E. (2019). Peningkatan Produktivitas Kerja Dosen Melalui Pengembangan Efektivitas Sistem Informasi Manajemen Dan Budaya Organisasi. *Jurnal Manajemen Pendidikan*, 7(2), 833-842. <https://doi.org/10.33751/jmp.v7i2.1333>
- [22] Quinn, R.E., Faerman, S.R., Thompson M.P., McGrath M.P. (1990). *Becoming a Master Manager, A Competency Framework*. John Wiley & Sons. New York, USA
- [23] Reeder, N. (2020). "Organization culture and career development in the British civil service".
- [24] Risqi, M., & Perwira, L. T. (2021). Pengembangan Organisasi Menggunakan Open System Model. *Psyche 165 Journal*, 14(02), 201-206. <https://doi.org/10.35134/jpsy165.v14i2.71> Public Money & Management. DOI: 10.1080/09540962.2020.1754576
- [25] Sartika, Y. M., & Pragiwani, I. M. (2020). Pengaruh Budaya Organisasi, Komitmen Organisasi, Dan Stres Kerja Terhadap Kinerja Karyawan Pt. Danapati Abinaya Investema (Jaktv). 1-15.
- [26] Schien. (1992). *Organizational Culture and Leadership*. Jossey-Bass. San Fransisco.
- [27] Soeari, E. K., Ilhami, R., & Achmad, W. (2023). The Role of Leadership in the Development of Public Organizations. *Journal of Governance*, 7(4), 877-884.
- [28] Sulaksono, Hari. (2015). *Budaya Organisasi dan Kinerja*. Yogyakarta: DEEPUBLISH
- [29] Sulastris, L., & Achmad, W. (2022). The Impact of Total Quality Management and Reward System on Managerial Performance. *Atestasi: Jurnal Ilmiah Akuntansi*, 5(2), 654-667.
- [30] Susanto, AB., (1997). *Budaya Perusahaan : Seri Manajemen Dan Persaingan Bisnis*. Cetakan Pertama, Elex Media Komputindo, Jakarta.
- [31] Sutarto, (2002), *Dasar-Dasar Organisasi*, Gadjah Mada University Press, Yogyakarta
- [32] Wibowo. (2007). *Manajemen Perubahan*, Edisi Kedua. Jakarta: Rajagrafindo Persada
- [33] Wirawan. (2007). *Budaya Dan Iklim Organisasi : Teori, Aplikasi, Dan Penelitian*. Jakarta : Salemba Empat
- [34] Yulianah, S. E. (2022). *Metodelogi Penelitian Sosial*. CV Rey Media Grafika