

ORGANIZATIONAL CULTURE TRANSFORMATION THROUGH BUSINESS SUCCESS-ORIENTED HR MANAGEMENT PRACTICES

Kurniawansyah^{1*}, Maulidza Nur Fauzi², Zahara Tussoleha Rony³, Abdurrahman Sadikin⁴, Ismawati⁵

^{1*}Prodi Manajemen, Fakultas Ekonomi dan Manajemen, Universitas Samawa
²Institut Teknologi dan Bisnis Ahmad Dahlan Lamongan
³Prodi Magister Manajemen, Fakultas Ekonomi dan Bisnis, Universitas Bhayangkara Jakarta raya
⁴Fakultas Ekonomi dan Bisnis, Universitas Lambung Mangkurat
⁵ Universitas Samawa

ARTICLEINFO	ABSTRACT
Keywords : Organizational Culture Transformation, HR Management Practices, Business Success, Employee Development and Empowerment	The process of transforming organizational culture is a crucial endeavor in order to attain success and enhance competitiveness within the commercial realm. A robust corporate culture that prioritizes commercial success fosters a highly productive, innovative, and adaptable environment. The problem at hand is of significant importance due to the imperative nature of human resource management's role in facilitating cultural transformation. The objective of this study is to examine human resource management strategies that aim to enhance employee competence, performance, and engagement, with the ultimate goal of fostering a collaborative culture and promoting shared responsibility. This study employs the literature review methodology to explore the interconnections between organizational culture reform, human resource management, and business performance. The findings of the study indicate that the initiation of organizational culture transformation necessitates an understanding of the influence of organizational culture on the formation of organizational identity. Consequently, there exists a body of research exploring the impact of HR management on employee development, reward systems, and empowerment within the context of organizational culture transformation strategies. These studies provide valuable insights for the implementation of HR management practices that are aligned with the achievement of business objectives.
E-mail: kurniawan071078@gmail.com	
maulidzanurfauzi@gmail.com	Copyright © 2023 Jurnal Ekonomi. All rights reserved. is Licensed under a Creative Commons Attribution-NonCommercial 4.0 International License (CC BY-NC 4.0)
zahara.tussoleha@dsn.ubharaja	
<u>ya.ac.id</u> abdurrahmansadikinih@ulm.ac.	
id	
ismafem81@gmail.com	

1. INTRODUCTION

The process of organizational culture transformation is a significant undertaking that aims to facilitate paradigm shifts and attitude changes within a company, ultimately leading to the attainment of enhanced business goals and increased competitiveness. A robust organizational culture that prioritizes commercial success has the capacity to foster a productive, innovative, and adaptable environment amidst the ongoing challenges posed by globalization.

In an effort to achieve organizational culture transformation, the role of human resource management (HR) is crucial. HR management practices that focus on improving employee competence, performance and engagement can help create a culture that encourages collaboration, learning and shared responsibility. In addition, accuracy in implementing HR management practices can also provide a competitive advantage for organizations in facing complex business challenges[1]–[3].

Some research[4]–[8]explaining the importance of implementing HR management that is oriented towards business success can be the main key in the process of transforming organizational culture. First, we will discuss the role of organizational culture in shaping the identity and core values of the organization. Then, it will be explained about the importance of HR management which focuses on aspects of developing, rewarding, and empowering employees as part of the transformation strategy.



The urgency of the problem, namely the transformation of organizational culture through HR management practices that are oriented towards business success, has become an urgent need in an era of increasingly complex and dynamic business competition. Technological developments, globalization and rapid market dynamics have created a rapidly changing business environment. Organizations must adapt to these changes in order to remain relevant and competitive[9]–[14]. Organizational culture transformation through proper HR management can help organizations become more responsive to change and innovate to take advantage of new opportunities. Organizations with positive and business success-oriented cultures have the potential to create competitive advantages. A culture that encourages innovation, collaboration and learning will enable organizations to be more creative in dealing with competition and create products or services that are unique and of high value to customers.

A positive and adaptive organizational culture is able to create a strong and resilient organization in facing challenges and crises. Employees who feel supported and empowered are better equipped to deal with unexpected changes and contribute to the organization's rapid recovery. In order to achieve long-term business success, organizations need to view cultural transformation as an inevitable strategic step. HR management practices that are oriented towards business success are a strong foundation in creating a positive, inclusive and competitive organizational culture[15]–[18]. Through this approach, organizations can effectively achieve their business goals, increase employee satisfaction, and contribute to broader social and economic development.

The main objective of this study is to identify and analyze the extent to which HR management practices that are oriented towards business success contribute to the formation and transformation of organizational culture. Research will explore key practices, such as recruitment, training and development, performance evaluation, rewards, and leadership development, which directly influence the values and cultural norms within organizations.

2. LITERATURE REVIEWS

Organizational culture

Organizational Culture Transformation refers to the process of deep and comprehensive change in the norms, values, attitudes, and behaviors that exist within an organization. Organizational culture transformation focuses on changing the way of thinking, acting, and interacting within the organization to achieve more strategic and future-oriented business goals. This definition emphasizes deep changes in organizational culture[19], [20], meaning not just superficial or cosmetic changes, but changes that cover core aspects of the way the organization operates and functions. Organizational cultural transformation also marks the adoption of new values and creates an environment that supports innovation, adaptability and employee engagement[21].

Organizational culture transformation is usually initiated by top management as part of a broader business strategy. This involves the commitment, support and participation of all members of the organization, from management to operational level employees. This process may involve changes in existing organizational structures, management systems, policies, procedures and work practices. The goal of organizational culture transformation is to create a culture that is more adaptive, innovative, collaborative, and competitive to face the challenges and opportunities that are constantly evolving in a dynamic business environment.[22]–[24]. In addition, organizational culture transformation also aims to create a positive and employee-centered work environment, where employees feel supported, valued, and actively participate in achieving common goals.

Human Resource Management

HR Management (Human Resources) refers to the set of processes, policies and practices designed to manage human resources in an organization. The main objective of HR management is to optimize employee contribution to organizational goals in an effective and efficient manner. This definition includes several important aspects of HR management, among others HR management involves planning, procuring, developing, evaluating, rewarding, and terminating work relationships with organizational employees.[25]. This includes everything related to the existence and performance of the workforce in the organization. HR management aims to optimize employee contribution and productivity in order to achieve organizational goals effectively. This includes setting appropriate duties and responsibilities, developing skills and competencies, and identifying and leveraging employee talents and potential. HR management also has a strategic role in creating competitive advantage for the organization. Managing human resources well can create a positive organizational culture, increase employee satisfaction, and enhance an organization's reputation as a desirable place to work. Human resource management plays an important



role in achieving organizational goals and creating a productive, inclusive and competitive work environment[9], [26]–[28]. This involves interaction with employees, other stakeholders and external factors such as labor regulations and labor market trends. By managing human resources well, organizations can achieve long-term success and contribute positively to the development of business and society.

3. METHOD

The present study employs a qualitative research strategy, specifically utilizing the literature review methodology. The literature review methodology involves the systematic collection, identification, review, and synthesis of diverse literature sources pertaining to the subject matter of organizational culture transformation, human resource management, and business achievement. This methodology entails the systematic exploration of relevant results and conclusions pertaining to the domains of organizational culture transformation, HR management, and commercial success. The objective of this study is to conduct a comparative analysis of the literature sources in order to uncover commonalities and differences, with the aim of identifying patterns in related research. The ultimate goal is to synthesize the findings from several literature sources and build a literature review that is both thorough and cohesive. The literature sources referenced for this purpose are numbered as [29]–[31].

4. RESULTS AND DISCUSSION

The Role of Organizational Culture in Shaping Organizational Identity

Based on the review literature, there is a role for organizational culture in shaping organizational identity, this is important because organizational culture helps shape organizational identity, namely an image that is trusted by members of the organization and external stakeholders. Organizational identity describes the unique characteristics, brand image, and personality of the organization. Through a strong and clearly defined organizational culture, members of the organization feel they have a shared identity and support one another. A strong organizational culture serves as a guide for members of the organization in making decisions and acting[32]. The core values instilled in the organizational culture provide consistent guidelines for behavior and decisions, thereby creating alignment between organizational goals and individual actions.

The role of organizational culture can also increase employee commitment and involvement when organizational values and culture are practiced in line with individual values, employees tend to feel more involved and committed to achieving organizational goals. An organizational culture that is inclusive and pays attention to the needs of employees can increase job satisfaction and loyalty. Organizational culture plays a role in accepting or rejecting innovation and change. Organizations with an innovative and adaptive culture will more easily accept change and adapt to a changing environment, thereby maintaining organizational sustainability. A positive organizational culture creates a healthy, inclusive and passionate work environment. When employees feel valued and empowered in the culture,

An organizational culture that encourages collaboration and collaboration between teams and departments strengthens working relationships within the organization. Effective teams can work together to achieve common goals and deliver better results. Organizational culture plays an important role in shaping ethical decisions and organizational social responsibility. The values embedded in the organizational culture can be a guide in dealing with ethical dilemmas and in establishing social responsibility towards the environment and society. By understanding the role of organizational culture in shaping the identity and core values of the organization, leaders can actively shape and strengthen organizational culture to achieve better business goals and create a positive and competitive work environment.[33].

The Role of HR Management in Employee Development, Reward, and Empowerment Aspects in the Organizational Culture Transformation Strategy

HR management that focuses on the aspects of developing, rewarding and empowering employees is very important in a successful organizational culture transformation strategy. Here are some reasons why this is important because being able to develop employees through training, skills development, and continuing education helps improve individual capabilities in the organization[34]. Skilled and qualified employees will be able to contribute more effectively in achieving business goals and facing complex challenges. Employee development drives innovation and adaptability within the organization. Employees who are encouraged to think creatively and seek new solutions are more likely to find innovative ways to improve business processes and create added value for the organization.



In addition, by providing awards and recognition for outstanding performance, it encourages employees to perform better. Appropriate rewards can also strengthen a positive organizational culture and provide incentives for employees to continue to contribute optimally. Employee empowerment and involvement in decision-making and business processes creates a sense of ownership of organizational goals. Employees who feel heard and valued will be more motivated to actively participate in achieving organizational goals and objectives. HR management that focuses on developing and rewarding employees can increase employee satisfaction and retention rates[35]-[37]. Employees who feel they have the opportunity to grow and develop within the organization are more likely to stay and contribute in the long term. Employees who feel supported and empowered have the potential to provide better customer service. Better service and product quality can enhance an organization's reputation and help in achieving competitive advantage. The aspects of developing, rewarding and empowering employees create a positive and inclusive organizational culture. A positive culture supports cooperation, open communication, and a spirit of collaboration among members of the organization. Organizational culture transformation requires the participation and commitment of all employees. Development, rewards, and employee empowerment helps build trust and support from employees during the culture change process, which is essential for achieving a successful transformation. By integrating aspects of developing, rewarding and empowering employees in an organizational culture transformation strategy, organizations can create an environment that supports mutual growth and success. This not only benefits individual employees, but can also have a positive impact on overall organizational performance.

Implementation of HR Management that is oriented towards Business Success

HR management practices that are oriented towards business success are strategic approaches in managing human resources that aim to improve overall organizational performance. This practice places a focus on the match between the organization's business goals and managing, developing, and directing employees to achieve those goals. Following are some examples of HR management practices that are oriented towards business success:

a) Human Resources (HR) Planning

This practice involves identifying an organization's workforce needs based on its long-term business strategy. By conducting needs analysis and understanding industry trends, organizations can plan appropriate HR needs and anticipate future workforce needs.

b) Recruitment and Selection

In this practice, organizations try to recruit and select employees who have skills, competencies, and values that are in line with the company's culture and vision. Careful use of selection methods helps ensure that the employees selected have the potential to optimally contribute to business success[38], [39]. c) Employee HR Development

HR management practices that are oriented towards business success also include ongoing employee training and development. By increasing the skills and knowledge of employees[40], organizations can enhance their capabilities to deal with growing business demands. d) Performance Evaluation

in this case it can involve regular assessment of employee performance by measuring the achievement of business goals and individual competencies. Performance evaluations help identify high performers, as well as areas where further development is needed. After that Organizations that are oriented towards business success provide recognition and appreciation for outstanding employee performance. A fair and competitive compensation system is also used to motivate employees and retain the best talent.

5. CONCLUSION

The research concludes that transforming organizational culture through HR management practices focused on business success is crucial for organizations seeking competitive advantage and adaptability in a dynamic business environment. Strong, positive organizational culture coupled with business goals can help achieve exceptional performance and long-term sustainability. Culture is crucial to an organization's identity and ideals. A distinct culture that supports the organization's goal and mission creates a strong and shared identity. Additionally, corporate culture's basic principles govern employee behavior and decision-making to meet business goals. HR management methods that emphasize employee growth, incentive, and empowerment support company culture reform. Employee rewards, empowerment, and growth boost employee engagement, motivation, and dedication to business goals. Organizations may foster productivity, innovation, and competition with an inclusive and favorable culture.



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