Full Length Research Paper

Decoding organizational culture: A study of Malaysian construction firms

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The paper studies the cultural practices influencing business performance in over 327 Malaysian contractors. A national-wide questionnaire survey has been conducted to determine the current enterprise culture, leadership styles and enterprise axiology in Malaysian construction contracting organizations. Findings reveal that the "monkey culture", which is epitomizing teamwork and loyalty, is considered as the most applicable type for the organizational culture in Malaysia. People oriented management style has as many supporters as that of the task oriented management style in Malaysian contractors. However, more than 50% contractors have difficulties in determining their organizational culture. Making profit and seeking customers' satisfaction are the major concerns in a Malaysian contracting organization, which is synchronous with the western enterprise axiology.

Key words: Organizational culture, construction, contracting team.

INTRODUCTION

A number of publications (Efferin and Hopper, 2007; Teague, 2006; Hill, 2006; Schein, 2004; McCormack, 2005) suggest that organizational culture influences an enterprise's performance. Executives and managers desire to know how to manage organizational culture and how to influence or change it to obtain the best achieve-ment in organizational performance (Teague, 2006). Culture as an impediment to change or a variable to manipulate can improve corporate effectiveness (Fitzenz, 1997). Successful companies are able to develop and to maintain a culture that reinforces dedication to an enduring core ideology (Collins and Porras, 1994). Efferin and Hopper (2007) agree that culture is one of the key to an organization's success. The success of Total Quality Management (TQM) in organizations is caused by creating a culture and a pattern of shared values that encourages the commitment of all employees to the TQM goals of the organization. Sattler et al. (2003) argued that to have successful organizational change, culture change must be planned. Trice and Beyer (1993) noted that in an adverse environment, successful organizations were found to have a more effective collective learning process than those who fail.

Culture determines the actions and outlook of indivi-duals and corporations. All behaviour such as greetings, table manners, sleeping habits, how people ride an escalator, run a meeting, or reach a consensus, is part of a culture. These forms of behaviour are transmitted from generation to generation and evolve over time (Zeybek et al., 2003). According to Wang and Abdul-Rahman (2005), cultural capitals have played a significant role in the Malaysian construction industry. Malaysian contractors have similar views about the statement that the project culture greatly impact on construction project control dimensions such as the project quality, time, cost, safety and loyalty. On the other hand, the staff regulations have much less impact.

The aim of this study is to determine the current enterprise culture, leadership styles, and enterprise axiology in Malaysian construction contracting organiza-tions. A questionnaire survey has been conducted national widely. The findings reveal that the "monkey culture" is considered as the most applicable type for the

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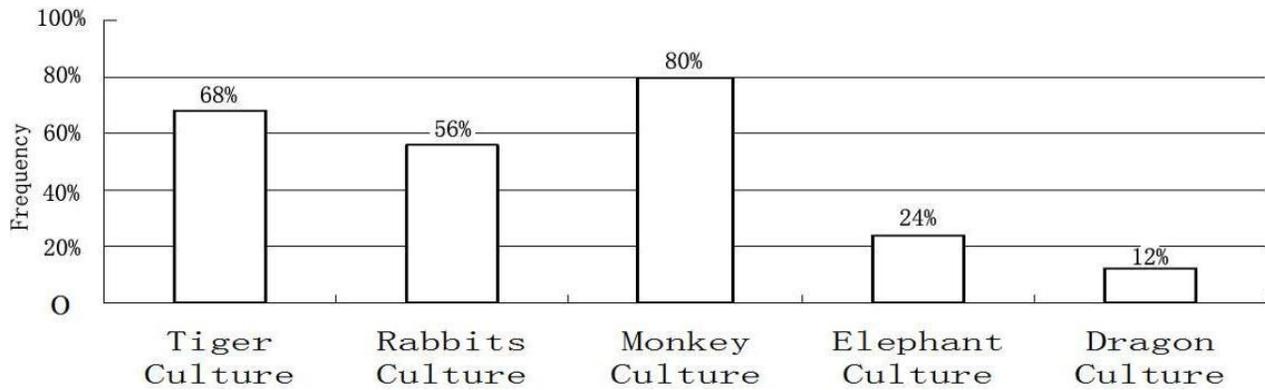*Corresponding author. E-mail: derekisleon@gmail.com. Tel: 0060162189875. Fax: 0060379675713.

Figure 1. Applicable cultural practices.

Table 1. Descriptions for different types of cultural practices.

Types of culture	Descriptions
Tiger culture	Achievement-oriented and competitive
Rabbits culture	More flexible, creative and entrepreneurial
Monkey culture	Epitomizing teamwork and loyalty
Elephant culture	Strong hierarchies, organization and order
Dragon culture	Combines the disparate and frequently beneficent attributes of lesser beings into one of extraordinary capability and power

organizational culture in Malaysia. People oriented management style has as many supporters as that of the task oriented management style in Malaysian contractors. The Malaysian enterprise axiology is synchronous with that in the western world. However, more than 50% contractors still have difficulties in determining their organizational culture.

DATA ACQUIRING APPROACHES

A national-wide questionnaire survey was conducted to study the cultural practices in the Malaysian construction industry. The questionnaire forms have been delivered to totally 4076 contracting organizations, and 327 valid returned forms have been involved in the analysis. The issues of current enterprise culture, leadership styles and enterprise axiology have been included in 63 questions. The method of interview has not been employed in the study because it is time consuming, labour intensive, less rigorous and it can be subjective with wrong evaluators (Yin, 1984; Stake, 1995; Strauss and Glaser, 1967). All the returned forms were analyzed using the Statistical Package for Social Science (SPSS) software for Windows98/XP. Statistical methods such as F-test and T-test have been employed in analysis.

RESULTS OF QUESTIONNAIRE SURVEY

Enterprise culture and applicable organizational cultural

Figure 1 presents the types of applicable organizational

cultural ranked by the Malaysian contractors through the questionnaire survey, the "monkey culture", which is epitomizing teamwork and loyalty, is ranked as the highest and the "dragon culture", which combines the disparate and frequently beneficent attributes of lesser beings into one of extraordinary capability and power, is ranked as the lowest. Table 1 provides the descriptions on the five types of organizational culture.

Leadership style: Task oriented or people oriented

As indicated in Table 2 and Figure 2, two leadership styles have much more supporters than other styles amongst the Malaysian contractors. The two most applied leadership styles are 1) the decisive, aggressive, goal and action oriented, self- confident, energetic, optimistic, ready for changes and hardworking, and 2) diplomatic, tactful, calm, informal, reasonable and ready to help. The first style is related to the task oriented and the second style is related to the people oriented, it could be found from Figure 2 that either of them has a similar number of supporters.

Enterprise axiology

The negative cultural practices influencing the integrity are indicated in the Table 3, all the studied six cultural

Table 2. Leadership style in selected Malaysian contractors.

| Leadership style	Frequency (%)
Decisive, aggressive, goal and action oriented, self-confident, energetic, optimistic, ready for changes and hardworking	40
Diplomatic, tactful, calm, informal, reasonable and ready to help	28
Getting status without competition, distributing power smoothly, and taking decisions collectively	10
Very structured and have a clear-cut hierarchy	8
Indistinct, vague, isolationist, intellectual and analytical	4
Highly centralized, follow rigid rules and have clear divisions of labor	4
The first among the equal, decentralized and democratic	2
Others	4
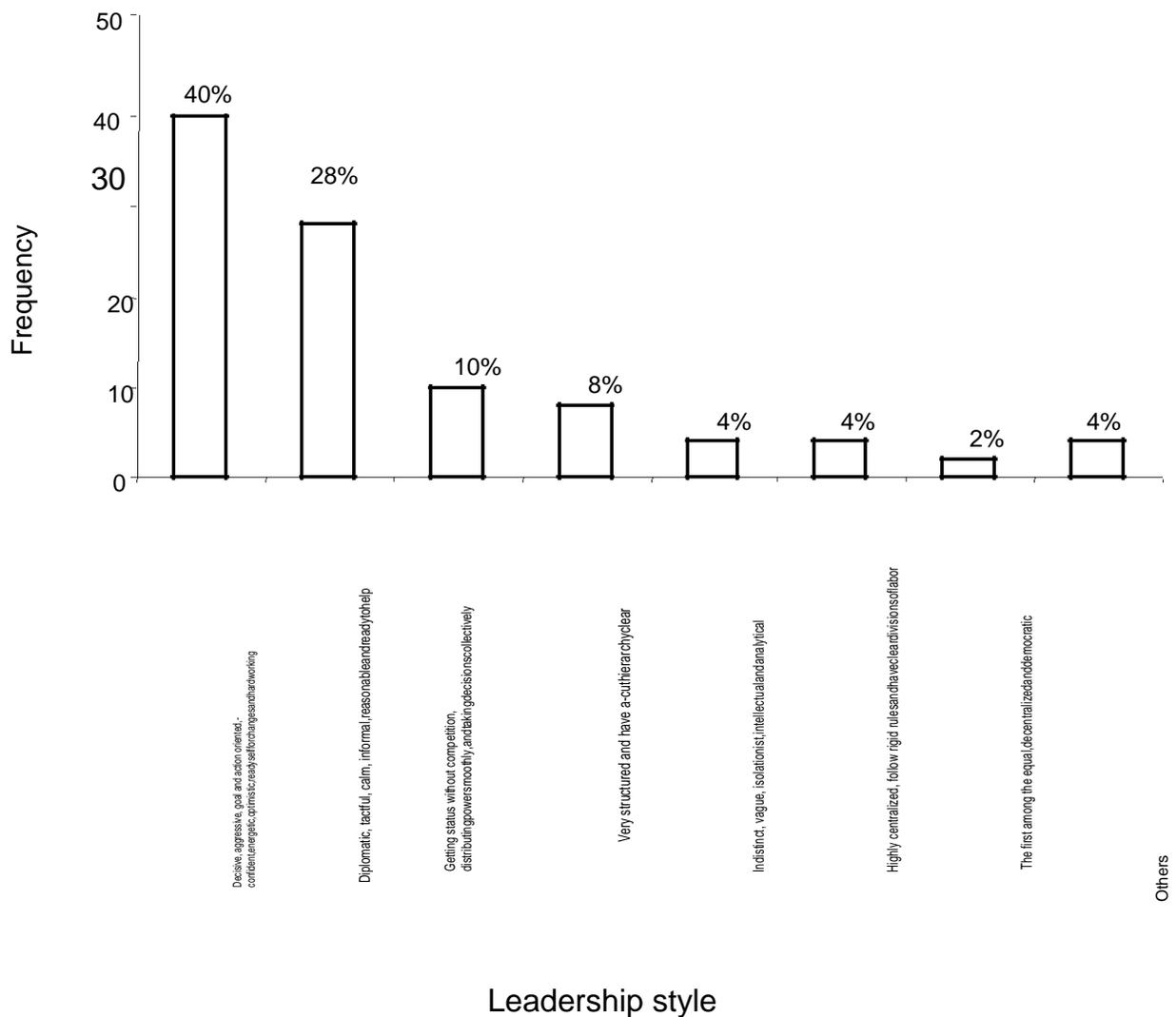
Figure 2. Leadership style in selected Malaysian contractors.

practices were ranked as similarly negative, which could be considered that Malaysian contractors have similar identifications to the improper cultural practices. Table 4 presents the important axiology for an organization ranked by the selected Malaysian contractors. It indicates that "making profit" is the top concern for 68 responding

Table 3. Negative cultural practices to integrity.

Negative cultural practices	Frequency (%)
Cultural practice that does not give recognition to the ability, qualification, expertise and capability of the workers	17.17
Cultural practice that not transparent	16.16
Cultural practice that does not distinguish the quality of the work	15.15
Cultural practice that gives an incorrect way of rewarding	13.13
Cultural practice that includes too many hierarchy	11.11
Cultural practice that contains a number of unwieldy administrative system and body of government officials	9.09

Table 4. Most important axiology for an organization.

Axiology	Frequency (%)
Making profit	20.83
Customer's satisfaction	17.71
Continuous reservoir of jobs in hand	16.67
Keep the operational cost to the optimum and manageable	15.63
Rewards staff effectively in order to encourage efficient works	9.38
Maintaining current market shares and penetrating into new	8.33
Ability to maintain and minimize staff turnover	7.29

Missing, 1, 3%

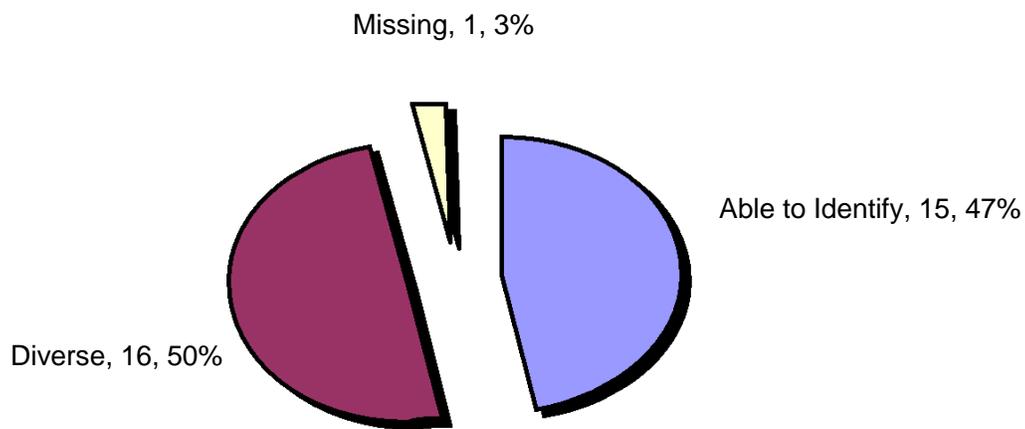Able to Identify, 15, 47%

Diverse, 16, 50%

Figure 3. Able or not to identify the organizational culture.

firms (20.83%) followed by "customer's satisfaction", "continuous reservoir of jobs in hand", and "keep operational cost to optimum and manageable".

Identify the organizational culture

Figure 3 indicates that there are 154 or 47% respondents were able to identify their organizational culture but the rest 164 or 50% respondents could not clearly identify a certain culture for their organization and only stated that it was of a diverse type.

CONCLUSION AND RECOMMENDATIONS

It concludes that the people oriented management style has as many supporters as that of the task oriented management style in Malaysian contractors. The "monkey culture", which is epitomizing teamwork and loyalty, is considered as the most applicable organizational cultural Malaysia. However, more than 50% contractors have difficulties in determining their organizational culture. Making profit and seeking customers' satisfaction are the major concerns in a Malaysian contracting organization, which is synchronous with the

western enterprise axiology. The axiology widely agreed by Malaysian contractors could be classified into the ethical perspective, which is to keep integrity and the economic perspective, which is to make profit. A critical study on these two perspectives is recommended to be conducted in future especially in the situation when they conflict with each other. The issues of cultural capitals' measure, diagnoses, and evaluation may also be enhanced as a necessary step to apply the cultural capitals into real production.

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