



A survey of the organizational culture and its relationship with leadership style in regional electricity company of Sistan and Baluchestan

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Introduction

Organizational culture is emerged recently in management knowledge in organizational behavior field. By new theories and researches in management, organizational culture is of great importance and it is one of the main management fields. The demographic experts, sociologists and recently psychologists and even economists pay much attention to this important and new issue in management and conducted various researches in identification of the role and importance of the theories and applied them in solving management problems. Based on the investigation by a group of scientists of management, organizational culture is one of the most effective progress and development factors in countries. Most of the researchers believe that the success of Japan in industry and management is one of the important reasons of their consideration of organizational culture. Organizational culture as a set of common beliefs and values affects the behavior and thought of organization members and it can be a starting point for dynamics or a barrier to the progress. Organizational culture is one of the basic changes in organization. As new plans of change consider mostly the fundamental organizational change, the goal of these plans is organization culture change as a foundation for change. This study investigates the determination of organizational culture in regional electricity company of Sistan and Baluchestan and its relationship with leadership style.

Keyword: *organizational culture, leadership style, regional electricity company of Sistan and Baluchestan*



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Introduction

Statement of Problem

A set of common meanings or set of important issues form the organizational values and organizational culture indicates the method of affairs in organization for employees. Based on the findings and researches, the organizational culture is effective on behaviors method as most organizations with participative culture have high productivity and a bureaucratic culture is only suitable for implementing the orders. Organizational culture is the atmosphere of the organization in which people activate and their behavior is formed and this issue has important role in effectiveness of organization. Since 1970, (oil crisis), two important issues are raised in economic organizations management forming two sides of coin. By strong position of Japan in global competition, quality is the most important criterion for organizations in competition market and it has important role in keeping competitive position and economic life survival of organizations. On the other hand, organizational culture influencing all organizational aspects as a real phenomenon, it plays crucial role in fulfilling goals and strategy of firms and it has special position in management literature [1]. The organizational culture is considered as effective factor on organizational performance. The suitable work culture developed well between management and employees leads to stabilization of organizational commitment, ethics improvement, efficient performance and high productivity. The important point regarding organizational cultures is each of the organization employees is potential source of organizational improvement and change. Thus, those considering this culture from this view, recommend being aware of these cultures and controlling them or frame and restrict them [3]. Implementing total quality management increases efficiency of manufacturing and service organizations and this management method can increase the attention of beneficiary groups to organization performance and this consideration creates the best opportunities for successful presence in competitions [1].

Significance of study

Culture plays different roles in an organization and has various duties. These duties include:

- 1- Organizational culture gives organizational identity to organizational employees. The successful organizations are different from others due to their ability in absorbing,



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International Journal of Business Economics and Management Studies

Volume 1, Issue 2

developing and keeping talent and creative employees and employees will have deep attachment to organization.

- 2- Organizational culture makes group commitment easier: The organizations with strong culture have employees with commitment to organizational goals and values. Organizational commitment is psychological link to organization in which job involvement, loyalty and belief in organizational values can be seen. Organizational commitment is seen in three stages:
 - Acceptance stage: in this stage, a person accepts the influence of others on him.
 - Assimilation stage: In this stage, a person by accepting others influence achieves a good relationship.
 - Internalizing stage: A person is proud of belonging to an organization as consistent with his values.

When organizational commitment achieves its final stage, committed organizational member is the one he can be trusted and he doesn't delay to protect the organization.

- 3- Organizational culture encourages social system stability: The empowered organizations have hard work criteria and exact controls. For example, the employees should observe cleaning criteria and duties regulation is determined definitely. Thus, the space of commitment and emotion and hardworking is created in organization.
- 4- Organizational culture helps the formation of employees' behavior: The strong organization or culture by helping the members form their behavior to find about their work environment. Thus, successful organizations can prepare the conditions as the employees can start their job from the lowest level to be familiar with the fundamental principles to be familiar with all organizational dimensions and its problems.
- 5- Organizational culture affects the duties and management performance: Organizational culture by creating some limitations for management states the duties of managers. Any manager action should be supported by organization culture, otherwise it is not in accordance with values is not supported by majority of organization members. As decision making duty is considered in all management duties including planning, organizing, providing human resources and guidance and control, organizational culture



plays important role in management performance and their duties. Thus, strong culture plays important role in management decision making in all fields.

As it was said, determining organizational culture based on leadership style of organization is necessary. Thus, the researcher attempts to find this relationship in regional electricity company of Sistan and Baluchestan.

Study question: There is an association between organizational culture and leadership style.

Study hypothesis

- There is a significant association between organizational culture and leadership style in regional electricity company of Sistan and Baluchestan.

Study subject scope

This study includes organizational culture and leadership style of organization.

As it was said, besides awareness of organizational culture of regional electricity company of Sistan and Baluchestan and leadership style of organization, we can investigate the study hypothesis via the questionnaire.

Study area: Regional Electricity Company of Sistan and Baluchestan.

Study period: The study is during 2012-2013.

Study method

This study is applied and development. Based on the subject, descriptive-correlation method is used and the independent variable is organizational culture. Competitive values model is used for its operationalizing and dependent variable is leadership style of organization and bald ridge model is used for its operationalization.

Study process

The data are collected by questionnaire.

The statistical method for data analysis is Chi-square test of Carl Pearson, comparison test of ratios in two population and entropy criterion.



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International Journal of Business Economics and Management Studies

Volume 1, Issue 2

The study population is employees of regional electricity company of Sistan and Baluchestan including full-employment and temporary employees.

Sample size and sampling method

Cochran's formula is used to determine the sample size of researcher [2].

$$n_{\max} = \frac{\frac{TQZ^2}{d^2}}{1 + \frac{1}{N} \left(\frac{TQZ^2}{d^2} - 1 \right)}$$

In this study, Z is 1.96 (percentile 0.975, standard normal distribution) and T=Q is 0.5 (ratio of population units with required feature) and d is 0.05 (maximum acceptable error) and N is 175. Thus, n=120.

Sampling method in this study is systematic random sampling. As in the mentioned organizations, the data collection is random of all the employees working in a special unit. The sample members belong to all education, age and service levels and there is no limitation in this regard for study population members. In this study, authorities' population and sample population are similar. The questionnaire of organizational culture is distributed randomly among the employees of each unit and a question of leadership style is given to the responsible person of each section that we can achieve the link between organizational culture and leadership style of organization by collecting views of employees to their organizational culture and the views of their authorities regarding leadership style of their organization. Thus, total sample size is 175.

The data collection method

To implement the study and data collection, the researcher distributes questionnaire among the employees and authorities of regional electricity firm of Sistan and Baluchestan. The applied questionnaire in this study is 2 types including organizational culture questionnaire and leadership style questionnaire. Organizational culture questionnaire is filled out by employees



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International Journal of Business Economics and Management Studies

Volume 1, Issue 2

and leadership style questionnaire is filled out by relevant authorities and the questions of these questionnaires are based on Likert scale. The questionnaire of employees is based on two main sections, first section includes personal features and people are asked to define the information of age, education, gender and experience. Second section is composed of 28 questions and provided by study purposes. Leadership style questionnaire includes 7 questions as filled out by units' authorities.

Study variables

Dependent variable

Dependent variable is leadership style.

Independent variable

Independent variable in this study is organizational culture. The variables are selected based on review of literature and it is attempted to select the variables with high influence in organizational culture and leadership style of organization and review of literature is a good support. In order to investigate the effect of organization culture on leadership style of organization, at first we should know which factors are effective on leadership style of organization and which one has the highest impact on leadership style and how is their impact priority on leadership style of organization. Thus, we can evaluate the correlation of these relations and determine the causal relation between these two variables by Chi-square coefficient of Carl Pearson. The severity of this dependence is measured by Schuprow's coefficient.

Data collection

As it was said, the required sample size is 175. For data collection, 175 questionnaires are distributed among the employees of regional electricity company of Sistan and Baluchestan for 1 month.

Sample description

In this section, it is attempted to describe the demographic features of sample, describe the condition of each of introduced variables in the form of conceptual model of study among the statistical sample members.



Table 1- Frequency distribution of gender

Gender	F	%	Valid percent
Woman	44	36.6	36.6
Man	76	63.4	63.4
Total	120	100	100

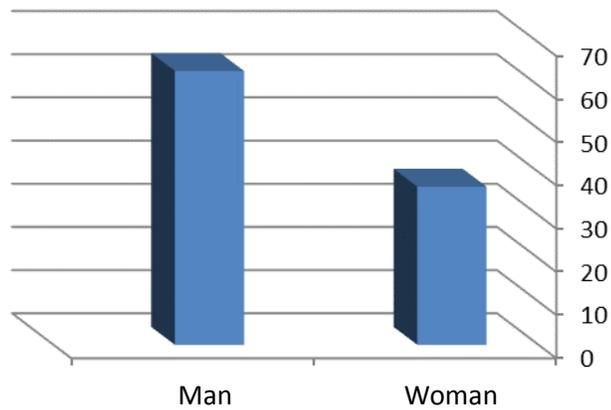


Chart 1- Frequency distribution of gender

Table 2- Age frequency distribution

Age	F	%	Valid percent
Below 25 years	21	17.5	17.5
25-35	50	41.67	41.67
36-45	38	31.67	31.67
Above 45 years	11	9.17	9.17
Total	120	100	100



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International Journal of Business Economics and Management Studies
 Volume 1, Issue 2

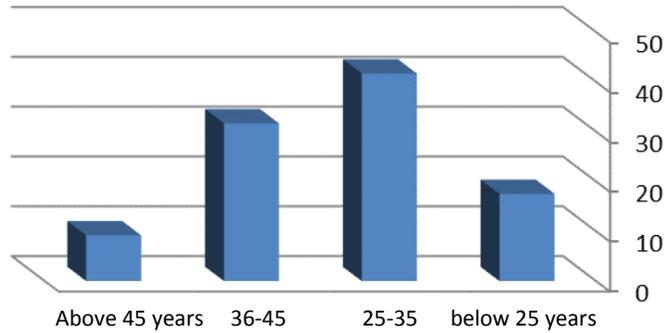


Chart 2- Frequency distribution of age

Table 3- Frequency distribution of education of respondents

Education	F	%	Valid percent
Diploma and below	43	29.9	29.9
Associate	25	17.4	17.4
BA	63	43.8	43.8
MA and above	13	9	9
Total	120	100	100

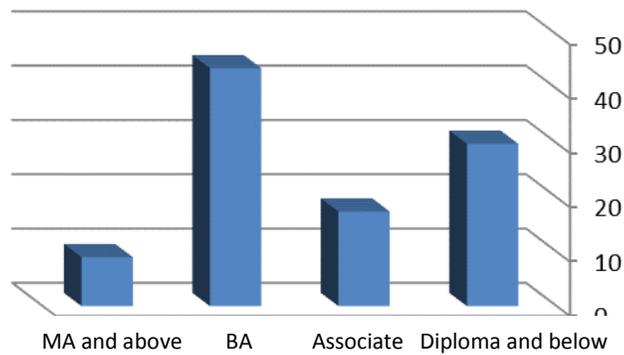


Chart 3- Frequency distribution of education of respondents



Table 4- Frequency distribution of work experience

Work experience	F	%	Valid percent
Below 10 years	16	13.33	13.33
10-20	84	70	70
21-30	20	16.67	16.67
Total	120	100	100

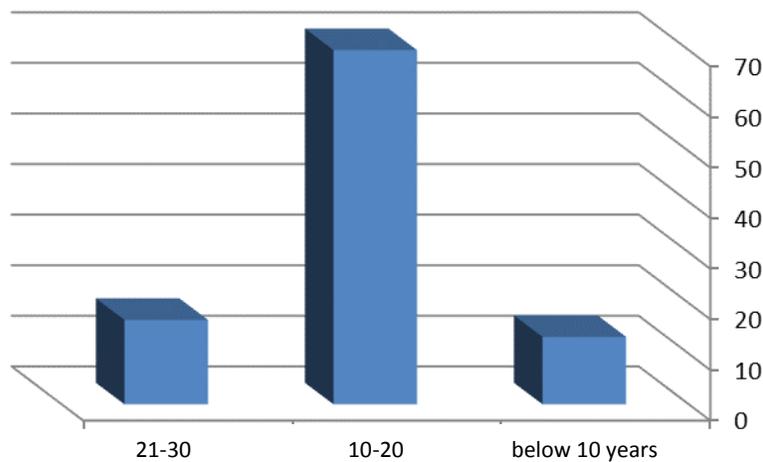


Chart 4- Frequency distribution of work experience

The statistical description of study variables

The studied variables of the study include as:

- 1- Organizational culture is the independent variable of study.
- 2- Leadership style of organization is the dependent variable of this study and includes the following components:

Leadership, process quality management, quality in operational results, information analysis, strategic quality planning, human resources development, customer satisfaction



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International Journal of Business Economics and Management Studies

Volume 1, Issue 2

Hypothesis: There is a relationship between organizational culture and leadership style of employees.

To investigate this hypothesis, Chi-square test of Carl Pearson is used at error probability level $\alpha=0.05$.

H0: There is no relationship between organizational culture and leadership style of employees.

H1: There is a relationship between organizational culture and leadership style of employees.

Table 5- The result of first sub hypothesis test

Calculated χ^2	($\chi^2_{0/95, 8}$)	Test result
97.43	15.5	H0 hypothesis is rejected

As calculated χ^2 is in critical area, H0 hypothesis is rejected. By rejecting H0 hypothesis and support of H1 hypothesis, it can be said that “there is a relationship between organizational culture and leadership style”.

Table 6- The propriety of each of first sub hypothesis variables by Entropy criterion

Rank	Weight	Variables	Question No.
1	0.379	Follow up and fanatic leadership of top management	
2	0.359	Creating good space by top management	
3	0.263	Determining clear goals for qualitative improvement by top management	
4	0.241	Raising continuous quality improvement as a goal	



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International Journal of Business Economics and Management Studies

Volume 1, Issue 2

5	0.223	Conceptual feeling of quality need by organization members	
6	0.191	Strong commitment to quality in all levels of organization	
7	0.182	Following up of recommendations by top management	

The results based on study hypotheses

The awareness of the importance of organizational culture factors on leadership style of organization can determine the weaknesses, strengths of the current performance of these organizations. Via entropy criterion, we find the followings in this study:

There is an association between organizational culture and leadership style in regional electricity firm of Sistan and Baluchestan and the following variables are of importance:

- Follow up and fanatic leadership of top management
- Creating good space by top management
- Determining clear goals for qualitative improvement by top management
- Raising continuous quality improvement as a goal
- Conceptual feeling of quality need by organization members
- Strong commitment to quality in all levels of organization
- Following up of recommendations by top management

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SCIENTIFIC RESEARCH CENTER

International Journal of Business Economics and Management Studies

Volume 1, Issue 2

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