

# Effect of Organizational Culture on Organizational Health

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**Abstract**—The main objective of the current study is to investigate the effects of organizational culture on organizational health. Modern organizations are in a very intense competitive conditions and in order to survive, they need parameters which guarantee their survival. Therefore, the current study will investigate the significance of culture in this regard. Municipalities as one of the organizations providing urban services are in a position where it is possible to lose their impact due to the activities of other organizations. Accordingly, the statistical population selected for this study includes all the employees in Tehran Municipality. In order to gather the required data, after determining the sample size as 384 participants using Krejcie and Morgan table, standard questionnaire of Denison for culture (2000) and organizational health (2008) were used. The current study is a quantitative one carried out as a descriptive survey. The validity and reliability of the study are confirmed using appropriate methods. Finally, in order to test the hypotheses of the study, various descriptive and inferential statistical tests were used. It was found out that the organizational survival of Municipality was affected by various cultural parameters, among which compatibility had the highest impact.

**Keywords**—Organizational Culture, Providing Services, Organizational Health, Tehran Municipality.

## I. INTRODUCTION

The range of the effects of organizational culture on the majority of organizational aspects proves the need for a deep study. Accordingly, identifying, explaining, and directing culture as a very

important factor attracted a lot of attention in organizational studies. One of the complexities related to organizational culture is its formation. How come two organizations with similar environmental contexts and similar leaders act differently? Why does it seem that some cultural elements contribute to stable changes while other elements survive without any certain and useful objective? Why sometimes these same elements are resistant to the attempts of leaders and others for changing them? The necessity to deal with organizational culture is so grave that scholars believe that if we want to create stable and effective changes in an organization, we have to change its culture. In other words, success or failure of organizations depend on their culture (Lau and Ngo, 2004).

Various studies show that culture affects planning of goals and strategies, personal behaviors and organizational performance, motivation and job satisfaction, creativity and innovativeness, decision making and the participation of employees in various organizational affairs, dedication and commitment, discipline, diligence, anxiety level, and so on. In many countries and successful organizations, managers pay sufficient attention to this issue. However, studies regarding the Islamic country of Iran show that unfortunately, many organizations have no clue regarding the presence and the mechanics of organizational culture. In the processes of organizational change, physical and tangible short-term changes are in focus. Even, some organizations do not know anything about the concept of organizational culture and its effects (Rezaeian, 2009).

Organizations, and particularly organizational stakeholders, are seeking strategies for organizational stability and making steady profits for the organizations. Tehran Municipality is among the organizations which are in view of the public due to the type of services they provide. It is obvious that factors affecting organizational health regarding the provision of appropriate services to citizens and the profits of Tehran Municipality are highly important and significant for the managers of this organization. Accordingly, the current study tries to answer how much and how organizational culture affects the organizational health of Tehran Municipality.

## **II. CONCEPTUAL FRAMEWORK**

In this section, the studies related to the current study are reviewed.

Salimi and Ramezani (2013) investigated the relationship between organizational culture and the productivity of teachers among high school teachers in Kurdistan Province. They argue that organizational culture is one of the most basic contexts for change in the organization. Since new change plans mostly focus on the organizational fundamental change, the objective of these plans is to change the organizational culture as the basis of change in the organization. The findings of this study show that there is a significant relationship between organizational culture and the creativity of employees.

Dabaghi and Gholamnejad (2012) investigate the relationship between organizational culture and the creativity of employees and argue that in today's unstable environment where the only constant thing is the change, in order to survive, the organizations need to be innovative and obtain or maintain their competitive advantage and they must be quick to obtain this advantage. However, it can be said that the most important success factor in this regard or the main objective is 'organizational culture'. Organizational culture has a significant impact on the degree of creativity among the employees of Islamic Republic of Iran Radio Broadcasting organization and one of the main reasons behind

low creativity among the employees of this organization, which is one of the most important media organizations in the country, is inaccurate application of organizational culture and its aspects. Based on the findings of this study, it can be concluded that risk taking, consistency and unity among the managers and the employees, coping with conflict, and its other aspects in this organization are average or even lower than average. Therefore, this organization must act more creatively and innovatively in order to increase the creativity of the employees and produce new ideas and programs to attract a bigger audience.

Zarnegar (2006) in a study on accepting organizational culture and the survival of the organization, investigates the new theories and studies in organizational culture management and introduces successful countries such as Japan, which was very successful in culture management, to say that creating any value in the organization, such as productivity, requires appropriate changes in the culture of the organization so that it can become a culture compatible with the new organizational requirements. Therefore, the managers must analyze the current culture in their organizations, define their desirable target organization, and identify and create appropriate culture and values which support their goals. When necessary for eliminating or correcting some of the common organizational cultures, they have to adopt suitable solutions.

Green (2007) in a study on tourism organizations in Canada entitled 'restructuring relations: understanding organizational culture to start change' has utilized interviews with managers and group discussions with experts and practitioners of Canadian tourism industry in order to identify the current organizational culture, change the organizational culture, and manage organizational culture in Canadian tourism organizations. After identifying these variables and investigating them and identifying the dominant culture of Canadian tourism organizations, the way to create changes in organizational culture and the management of changes in organizational culture in order to reach the desired organizational culture are discussed. It

is argued that the survival of these organizations will only be possible through creating and maintaining culture.

Mobley et al. (2005) evaluated the Denison's model in various Chinese organizations. In organizations which build furniture, vision had the highest score and expanding capabilities had the lowest score. In insurance companies, organizational learning had the highest score while customer orientation obtained the lowest score. In state hospitals, organizational learning obtained the highest score and changeability obtained the lowest score, finally, in high-tech companies, organizational learning obtained the highest score while expanding the capabilities obtained the lowest score.

Taylor (2005) argues that in order to increase productivity, many measures can be taken. There are methods beyond common techniques, which can be improved to increase productivity. One of the most important issues is improving organizational culture in working teams.

Wang and Ahmad (2012) investigated organizational culture and its effects on the productivity of employees. The results of their study, which was carried out as a qualitative-quantitative study, confirm the positive relationship between organizational culture and productivity of the employees.

Reviewing the previous studies show that the health of the organization depends on many parameters. The literature show that the importance of culture in these studies has been very high and it predicts the success of other organizational variables. Accordingly, the following conceptual model is considered.

*Table.1: Conceptual Model*

Independent Variable	Dependent Variable
<b>Organizational Culture</b>	<b>Organizational Health</b>
Mission	
Adaptability	
Compatibility	
Engaging in Work	

Source: Khorshidi et al. (2013); Aydin and Ceylan (2009)

### III. REVIEW OF LITERATURE

#### 3-1. Organizational Culture

In today's unstable environment, the organizations have to change and adapt their structures and processes to environmental needs in order to realize their missions. Before any change, the organization must first identify and evaluate its culture. Identifying and evaluating the potential impacts of culture and management will yield a better understanding of tangible and intangible effects of culture on management. Robbins defines culture as a system of concepts and beliefs common among the members of the organization, which determines their behaviours towards each other and towards people outside the organization. Denison points out that organizational culture is the basic values, beliefs and ethical principles which play a basic role in an organizational management system. Barney believes that organizational culture is an important driving force in the organization's movement (Wang and Yang, 2011). In 2000, Denison carried out some studies regarding organizational culture and organizational effectiveness. He proposed a model of cultural characteristics as follows: (1) engagement in work, (2) compatibility (3) adaptability, and (4) mission.

##### 3-1-1. Engagement in work

Effective organizations empower their members, form the organization based on working groups and expand the capabilities of human resources in all levels, leading to members committing to their jobs and feeling that they are a part of the organizational body. People in all levels feel that they play a role in decision making. Decisions that affect their jobs and their jobs are directly related to organizational goals. In this model, this characteristic is measured using three measures:

##### 3-1-1-1. Empowerment

People have the discretion, creativity, and the power required for managing their work. This will create a feeling of possession and responsibility in the organization.

##### 3-1-1-2. Team Building

The organization values team work for realizing common goals in a way that employees, much like managers, feel that they are responsible in the place of work. These organizations rely on teams to carry out tasks.

### **3-1-1-3. Expanding Capabilities**

In order to meet the requirements and stay in the competition, organizations constantly develop the skills of their employees.

### **3-1-2. Compatibility (stability and Integration)**

Studies show that effective organizations are stable and integrated and the behaviours of their employees are rooted in fundamental values. Leaders and followers are skilled in reaching agreement (even when they have conflicts) and organizational activities are coordinated and connected. Organizations having these characteristics have a distinguished and strong culture and have sufficient influence on the behaviours of their employees. This characteristic is measured using the following three measures:

#### **3-1-2-1. Fundamental Values**

Members of the organization share a set of values which create their identities and expectations.

#### **3-1-2-2. Agreement**

Members of the organization are able to agree regarding significant conflicts. This agreement involves both agreement at the base level and the ability to shape agreements at other levels.

#### **3-1-2-3. Coordination and Continuity**

Organizational units with various functions can work well together to reach common goals. Organizational borders will not be disrupted due to this way of working together.

### **3-1-3. Adaptability**

Well-integrated organizations won't change easily. Therefore, internal integration and external adaptability can be the competitive edge for these organizations. Compatible organizations are directed by the customers, they take risks, they learn from their mistakes, and have the capability and experience of creating change. They are constantly improving the capability of the organization in order to value the customers. This characteristic is measured using the three following measures:

### **3-1-3-1. Creating Change**

The organization is able to create ways for meeting the change requirements and they can understand the environment, answer the current stimulants, and prevent future changes.

### **3-1-3-2. Customer Orientation**

The organization understands the customers and proactively tries to respond to their needs. In fact, customer orientation indicates the degree the organizations are directed towards the satisfaction of customers.

### **3-1-3-3. Organizational Learning**

It measures the environmental signals the organization receives, translates, and interprets and the opportunities the organization creates for encouraging creativity, knowledge style, and the expansion of skills.

### **3-1-4. Mission**

It may be prudent to say that the most important characteristic of organizational culture is the mission of the organization. The organizations that don't know where they are and what their current state is will fail. Successful organizations have a clear understanding of their goals, objectives, and strategic orientations in a way that they define organizational goals and strategic goals and devise the organization's vision. This characteristic is measured using the following three measures:

#### **3-1-4-1. Strategic Direction and Orientation**

Clear strategic orientation indicates the direction of organizational goals and each individual can engage in the appropriate section.

#### **3-1-4-2. The Goals**

Goals are connected and linked to the strategy, mission, and vision of the organization and determine the working direction of individuals.

#### **3-1-4-3. Vision**

The organization has a common vision for future state. It communicates that fundamental value, attracts the minds and hearts of human resources and defines the direction too.

### **3-2. Constant- Flexible Spectrums and Internal-External Focus**

As can be seen from Denison's model, this model has two vertical and horizontal axes, dividing the model into four parts (quarters). The vertical axis

includes the degree and type of the focus of organizational culture. This axis is connected to internal focus at one end and to external focus at the other end. The horizontal axis indicates the

degree of organizational flexibility which connects to constant culture at the one end and to flexible culture at the other (Iranzadeh and MahmoudiAshan, 2010).



Fig.1: Denison's Model

Source: Davis, 2000

Davis believes that the organization's strategy must always be determined and carried out by guiding principles and everyday beliefs must never assume such a role. If guiding principles don't stimulate the organizational strategy, everyday beliefs will do this, creating a huge number of problems for the organization. It should be noted that when the culture is formed based on individual needs and requirements and the organizational responsibilities, at first it will serve the organizational activities and the management. However, after a while, due to some reasons, it will deviate from the existential reason for the organizational culture and will start acting as an independent phenomenon. Because the management ignores the power of this hidden hand, the culture which was at first acting dynamically, positively, and healthily will become a constant, negative, and dominant culture.

### 3-3. Organizational Health

Health is defined as fitness, happiness, joy, security, integrity, virtue, salvation, peace, and reconciliation (Ensafpour, 1994). In public mind, health means the lack of illness and shortcoming in an organism. When health is positive, the organism will carry out its duties and continues with its growth and development. Close to this concept is self-actualization, mentioned in psychotherapy and teachings of human relations. Maslow believes that self-actualization is the willing to reach a perfection the individual is capable of reaching. In self-actualization, the potential talents of the individual (organization) become active. In evaluating the health of organizations the question is whether it is possible to use the term 'health', related to living organisms' for organizations. Miles believes that regardless of the problems arising from considering organizations as organisms and the ideal nature of

perfect health, this approach provides significant scientific advantages regarding the dynamics of organizations and research and effort for improving them (Alagheband, 1999). Davis considers a healthy organization as an organization where employees feel that they are doing something useful and beneficial and reach the feeling of personal growth and development. They love a stimulating job which provides internal satisfaction and happiness. Many employees seek the responsibility and the opportunity for work success and prosperity. They want to be listened to and they want to be treated in a way that indicates they have individual values. They want to make sure that the organization actually cares about their needs and problems. According to Lynde and Klinge, organizational health involves the ability of the organization for carrying out its duties effectively in order to help the organization grow and improve (Nekhat, 2014). Miles defines a healthy organization as an organization that not only survives its environment but also in a long term compromises sufficiently and constantly improves and expands its survival and adaptation skills. The obvious point in this definition is that the healthy organization successfully deals with external barrier forces and directs their forces effectively in the direction of the organization's main goals and objectives. Parsons defines a healthy organization as an organization that adapts all the social systems for its survival and development with the surrounding environment, prepares resources for realizing its objectives, coordinates its activities, and creates motivation among the employees, ensuring their health (Hoy and Miskel, Translated by Abaszadeh, 2003).

Organizational health is one of the most clear and obvious measures of organizational effectiveness. In a healthy organization, the management has a completely friendly and supportive way of dealing with the employees and they are consistent with their plans. Also, employees are more willing to stay and work in the organization and carry out the tasks more effectively. Miles believes that organizational health refers to the stability and survival of the organization in its environment and

adapting to it, and improving and expanding the capabilities to provide more compatibility, Herzberg argues that factors such as the perceptions and attitudes of the employees, the way the affairs are managed in the organization, the organization's strategies, the nature and degree of supervision, job security, respect and position, the level of salaries and wages, the establishment of mutual relation, supervisors, peers and subordinates, and the personal lives of the employees are necessary for creating and maintaining the health of the organization and he believes that the lack of these factors may dissatisfy employees to a degree that they leave the organization and endanger its existence (Islamieh, 2007).

Abaszadeh points out the following as the characteristics of an organization with a healthy atmosphere:

- Reliable in exchanging information,
- Possessing the capability and creativity to create required changes based on obtained information,
- Possessing unity and commitment with regards to the goals of the organization,
- Provides internal support and freedom from fear and threat since threats damage good and healthy relations, reduce the flexibility, and instead of interest in the whole system, require protection for themselves (Abaszadeh, 1990, 74, 85).

#### **IV. METHODOLOGY**

Since the current study investigates the state of culture, it is considered as a descriptive study and since it evaluates the effects of organizational culture on organizational health in Tehran Municipality, it is considered a descriptive survey study. The application of the results in Municipality indicates that the study is an applied one.

##### **4.1 Objectives of the study**

##### **4.2 Sampling Design**

The headquarters of Tehran Municipality has around 10 thousand employees who make up the statistical population of the current study. Due to the distribution and clustering in Tehran

Municipality, simple stratified sampling method in a random manner is used for the sampling process. Considering that the statistical population is a restricted one, Krejcie and Morgan table is used for determining the size of the sample, yielding a sample size of 384 participants.

#### 4.3 Methods of data collection

In order to gather the required data for the current study, library and field study methods are used.

#### 4.4 Research Tools

The tool used for the study is questionnaire; in order to measure organizational culture, Denison's questionnaire (2006) was used which contains 36 items. Denison (2006) developed a scale based on four dimensions including compatibility, mission, adaptability, and engagement in work. In order to measure organizational health, a four-item questionnaire was used which was based on the standard questionnaire of Hoy et al. (1966).

#### 4.5 Hypotheses

##### 4-5-1. Main Hypothesis

Organizational culture is related to the continuance of organizational health.

##### 4-5-2. Secondary Hypotheses

1. Mission is related to organizational health.
2. Adaptability is related to organizational health.
3. Compatibility is related to organizational health.
4. Engagement in work is related to organizational health.

#### 4.6 Limitation and Scope of the study

Identifying research limitations plays an important role in the success of a study and identifying these limitations will prepare the researcher to better defend the findings of the study. Therefore, some of the limitations of the current study are as follows:

- Selecting a limited time frame for the study can be considered one of the limitations of this study since in continuous studies which measure the

Testing the Hypotheses

variable in various time frames, different findings can be obtained.

- Another limitation is related to the statistical population of the study which included the employees and clients of Tehran Municipality. The obtained results can only be discussed and considered for this limited population. Therefore, generalizing the results and findings of this study to other organizations must be done with caution.
- Finally, it is worth mentioning that other variables such as demographic factors, organizational atmosphere, organizational structure and its dimensions, and so on can also affect the commitment of the employees.

## V. ANALYSIS

The Cronbach's alpha coefficient for the study questionnaire for each variable and for each questionnaire is presented, which were higher than 0.7 and therefore they were acceptable.

In order to determine whether the data are normal or not, Kolmogorov-Smirnov (K-S) test was used. The results of this test show that the study data are normal at the 95% confidence level.

Table.1: Normality Test for the Data

	Organizational Culture	Organizational Health
Number	384	384
Average	3.16	3.23
Standard Deviation	0.740	0.531
Sig	0.526	0.471

Source: Research Data

In order to fit the conceptual model of the study and test the hypotheses, the PLS method in SmartPLS software application was used.

Table.2: Significance Coefficients for Z (t-values)

Direction			t statistic
Organizational Culture	—————→	Organizational Health	8,325
Compatibility	—————→	Organizational Health	4,895
Mission	—————→	Organizational Health	6,957

Adaptability	—————→	Organizational Health	1,054
Engagement in Work	—————→	Organizational Health	7,841

Source: Research Data

$R^2$  is a criterion for connecting the measuring part and the structural part of structural equation modeling (SEM); it indicates the effects of an exogenous variable on an endogenous variable. The higher the value of  $R^2$  for the endogenous structures of a model, the better the fitting of the model. Chine (1998) considered the three values of 0.19, 0.33, and 0.67 as indicators for weak, average, and strong fittings of the structural part of the model by the  $R^2$  criterion, respectively.

Table.3: The Coefficient of Determination for  $R^2$

Structure	$R^2$
Organizational Health	0.611

Source: Research Data

Using structural equation modeling, we can evaluate the hypotheses and the coefficients of determination for variables. Accordingly, by comparing the value of the calculated  $t$  for the coefficient of each direction and the critical value of 1.96, the hypothesis can be confirmed or rejected. If the value of the calculated  $t$  is lower or equal to the critical value, the hypothesis is rejected and if it is larger than the critical value, the hypothesis is confirmed.

Table.4: Results for Testing research Hypotheses using partial Least Squares Method

Hypothesis	Coefficient of the Direction	$t$ statistic	Significance level	Result of the test
Organizational culture is related to organizational health	0.748	8,325	<0.05	Confirmed
Compatibility is related to organizational health	0.514	4,895	<0.05	Confirmed
Mission is related to organizational health	0.471	6,957	<0.05	Confirmed
Adaptability is related to organizational health	0.482	1,054	<0.05	Rejected
Engagement in work is related to organizational health	0.527	841,7	<0.05	Confirmed

Source: Research Data

## VI. CONCLUSION

Data related to the gender of the study sample show that 77 percent of the participants were male and 23 percent were female. Data related to the marital status of the participants show that married people comprise 85 percent of the sample, a majority, while single people only comprise 15 percent of the participants. Data related to the educational level of the participants show that the bachelor's degree with the relative frequency of 39 percent is the educational level with the highest frequency among the participants and people with a PhD degree comprise only about 9 percent of the sample. Data

obtained regarding the work experience of the participants show that 33 percent of the participants have a work experience of 5 to 10 years while 28 percent of the participants have a work experience of more than 15 years, indicating the high level of experience and loyalty of the employees in this organization. The high level of work experience among the employees can play an important role in the survival of the organization.

The overall conclusion of the study is that the findings show a relatively strong relationship between organizational culture and organizational health. Organizational culture as the personality



and the basis of the organization plays an effective role in creating organizational health and for an organization to survive, it must pay attention to organizational culture and the stronger the organizational culture, the higher the likelihood of implementing the goals of the organization and the survival rate of the organization in the future. Lopes (2006), Davenport (2000), and Leibowitz (2014) believe that the survival of organizations are influenced by the behaviour and the strong organizational culture supporting it. Adli (2013) and Hasanzadeh (2013) point out that organizational culture is an important basis for the success of the organization.

***First Hypothesis: mission is related to organizational health***

Considering the results of structural equation modelling, organizational mission has a positive significant relationship with organizational health. In other words, by explaining the main missions, goals, and strategies, Tehran Municipality can increase its organization health. However, this relationship indicates that the survival rate of the organization can very well be increased by better explaining and communicating this mission.

It should be noted that the organization must be a place for the realization of an individual's various talents during his or her lifetime. Therefore, when designing an organization, main requirements and orientations must be considered and the structure must be aligned with the main mission. This characteristic is measured through three indicators of strategic orientation and direction, goals and objectives, and vision. It can be said that the most important characteristic of organizational culture is the mission of the organization. Organizations which don't know where they are headed and what their current state is will usually fail. Successful organizations have a clear understanding of their goals and their orientation in a way that they define organizational and strategic goals and devise the organization's vision clearly.

***Hypothesis Two: adaptability is related to organizational health***

Considering the results obtained from the equations, adaptability has a positive but

insignificant relationship with organizational health. Accordingly, it can be claimed that regarding adaptability, organizational culture can have significant impacts on the health of the organization. This characteristic is measured through three indicators including creation of change, customer orientation, and organizational learning. Integrated organizations will not change easily, so internal integration and external adaptability can be considered as the advantages and competitive edges of the organization.

Compatible organizations are guided by the customer, they are risk taking, they learn from their mistakes, and they have the capability and the experience of creating change. They are constantly improving the capability of the organization for valuing the customer. These organizations usually experience increasing sales and an increase in the market share. Considering the activities, Municipality has increased commitment in the organization by creating internal unity. However, due to environmental conditions, its organizational health is influenced by the working conditions. Based on the studies, the organizational participation of employees increases based on adaptability (Denison and Nil, 1996). An organization with low adaptability will have difficulty responding to customers, competitors, and employees who have new beliefs and generally previous success can be a barrier for future success. Organizations with traditional hierarchies are dependent upon their leaders and focus on the commands coming down from the higher levels of the organization. Accordingly, the organizational culture dominant in Municipality concentrates on social responsibility and the feeling of competition and focuses less on expanding the capabilities. Therefore, it may not have the necessary means to accept changes in its external environment, arising from amendments in the Municipality system. Sharma (2012) believes that adaptability is the basis for the organizational effectiveness of the organization and argues that participation is the basis for organizational dynamics and adaptability will lead to increased survival rates for the organization.

***Hypothesis Three: compatibility is related to organizational health***

Considering the results of the equations, compatibility has a significant relationship with organizational health. Accordingly, it can be claimed that organizational culture can have significant impacts on organizational health by improving the compatibility of the organization. This characteristic is measured through three indicators of fundamental values, agreement, and integration. Organizations seeking coordination focus more on their external relations. Studies show that effective organizations are mostly stable and integrated and the behaviours of their employees are rooted in fundamental values, the leaders and followers have skilled in reaching agreement (even when they have opposing opinions), and organizational activities are perfectly coordinated and connected. Organizations with such characteristics have a strong and distinguished culture and have ample influence on the behaviours of employees. Accordingly, it can be expected that by reinforcing these aspects in Tehran Municipality, we can create significant effects in its health and commitment. As Chen et al. (2013) and Russell et al. (2014) show, organizational culture can expand compatibility in order to influence the directed behaviours of the employees and lead towards organizational health.

***Hypothesis Four: engaging in work and organizational health are related***

Considering the results of structural equations, there is a significant relationship between engagement in work and organizational health. The significant and positive relationship between engaging in work and organizational health has also been proven in various studies. Reinhardt and Short (1991) argue that members of the organization like to be active players in the organization and affect the events that happen inside the organization. In fact, people who work more and are constantly dealing with the problems and complications of their organization and always try to reach the goals and values of the organization are more emotionally involved in the organization, participate in it and engage in it, they enjoy being a

member of the organization, leading to a high level of organizational commitment among them. Therefore, it can be concluded that when employees go the extra mile to deal with customers, they do this because they are committed to the goals and values of their organization and they have constant emotional dependence on the organization.

In order to coordinate the goals of the employees in Municipality, it is recommended that individuals capable of adapting to the dominant culture of the organization be recruited and maintained. In order to coordinate the individual's goals with those of the organization, they must be engaged in the decision making process and we have to create the feeling of responsibility for them to reach their internal goals. Otherwise, they cannot carry out their responsibilities effectively, creating complications for the realization of organizational goals.

In the compatibility culture, the focus is on flexibility and the strategic outlook of the organization towards the external environment. The organization must make use of flexibility and change to shift towards the needs and requirements of the customer. Accordingly, Tehran Municipality can take the following fundamental steps:

- By concentrating on external environments and having a flexible system, we pave the way for the survival of the organization. Moreover, by creating new services, certain changes, and considering the needs of the customers, the organization can easily develop.
- Holding short-term and long-term educational courses for training skilled individuals and providing necessary training for utilizing information technology inside the organization for preparing an updated and flexible system for adapting to the external variable environment. Creating the appropriate atmosphere for creative employees, improving their awareness, and providing constant learning for them, the organization can increase its effectiveness.

- Recruiting creative managers for creating a desired organizational culture since managers play the most sensitive role and through their behaviors, they set an example for shaping the organizational culture.
- It is recommended for the managers to reduce the complexity of the organization because lower complexity will create higher consistency and unity among the employees.
- It is recommended to utilize advanced systems for obtaining the opinions of the customers and identifying their expectations. It seems that evaluating the opinions of people about the activities of the Municipality must be in a way that they can easily design appropriate mechanism for solving the problems.

It is recommended that the following issues be considered for future studies:

- The relationship between organizational culture and organizational performance in the Municipality;
- Identifying and classifying parameters affecting organizational culture and its improvement;
- Identifying factors affecting culture for the organizational effectiveness.

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