

# Employees' Support for Cultural Change: A Case Study in a Care and Social Welfare Organisation

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## Abstract

The care and social welfare sector in the Netherlands is changing. The care recipients, and their family and social network, are now primarily responsible for their own care. Only those who depend on professional care are financially supported by the government. Any professional help must be employed as effectively and efficiently as possible. This requires care and social welfare organisations to change their strategies and for these strategies to be successful, these organisations need a cultural change. In this case study, it was examined whether there is adequate support for the necessary cultural change in a care and social welfare organisation located in the south of the Netherlands. The study looked into the differences in the desires of the management and the organisation as a whole as to what the cultural change should entail. It can be concluded from the findings of this study that there is indeed support for the enhancement of the adhocratic culture. The main discrepancy lies in the fact that employees prefer less of a market culture, whereas the required cultural profile actually focuses on more. The employees believe that more market culture will lead to less effective service provision for both clients and buyers.

**Keywords:** Organisational Culture, Human Resource Management (HRM), Culture change, Effectiveness

## 1. Introduction

The care and social welfare sector in the Netherlands is undergoing some important developments. Firstly, the municipal authorities are being given a key role in the social participation of their disabled residents and otherwise vulnerable citizens. Moreover, the funds have been transferred from national to municipal funding. The government strongly aspires towards an inclusive society, where demands are set in order for us all to direct our own life independently, including the disabled. Citizens, together with their networks, first and foremost carry the responsibility themselves. Nevertheless, people who really need it, should still be able to count on the government's support. Any help should be utilised in order to maximise effectiveness and efficiency. Funding has come under high pressure (Tk, 2012/2013). The care and social welfare organisations operate in an area of tension between the delivery of high quality as a distinctive added value for the client, and efficiency and cost control as a distinctive added value for the buyer. As such, a change of strategy is needed.

Research shows that a successful implementation of a change within an organisation depends on a turn in the organisational culture. Cameron and Quinn (2011) wrote that the organisational culture has a strong effect on an organisation's performance and effectiveness in the long term. Therefore, the design of a new organisational structure means that the management should concurrently effect a cultural change. Cultural change is a process that cannot be imposed top-down but requires the support from the employees. The degree of support for the required cultural change strongly depends on the extent to which employees consider the current culture to benefit the success of the service provision. If, in the eyes of the employees, the current culture leads to great effectiveness for both the client and the buyer, chances are that they are not motivated to contribute to the required cultural change, or only to a limited extent (Cameron & Quinn, 2011). It is, therefore, of relevance to examine the employees' points of view on the strength of the service provision in the context of the present culture. It is also important for an organisation to gain insight into the views of the employees on the current and their desired organisational culture. Comparison of the latter with the culture that the organisation's strategy requires will provide insight into the steps that should be taken in order to create sufficient support for the required cultural change.

In this case study, it was investigated whether there is a sufficient support network for the necessary cultural change in a care and social welfare organisation located in the south of the Netherlands. This organisation provides disabled people with client support. The study looked into the relationship between effectiveness and the current culture, as well as the differences in the desires of the management and the organisation as a whole as to what the cultural change should entail. The results of the study made an important contribution to a successful change of the organisational culture within the organisation in question and may also be valuable to all other care and social welfare organisations.

## 2. Theoretical background

### 2.1 Organisational culture

There is no standard definition of culture. Hofstede and Hofstede (2009) define an

organisational culture as the collective mental programming that distinguishes the members of one organisation from those of others. They make a distinction between national culture, organisational culture, and professional culture. National cultures comprise the larger part of our fundamental values. Organisational cultures primarily consist of the practices of the organisations. Hofstede places professional culture between the national and organisational culture, as the learning of a profession brings along both values and practices. Tennekes (1995) defines culture as the manner of thinking, speaking, and acting shared by the members of a society. He suggests that the culture of an organisation is far more limited in nature than its social counterpart. According to Tennekes (1995), a culture comprises everything a person should know in order to be able to act adequately within the social community of which they are a member of. The fact that culture rises from actions implies 'change'. Culture is thereby regarded as a dynamic phenomenon. Schein (2008) describes culture as a pattern of assumptions which are formed by a group whilst this group learns to deal with internal and external problems. These assumptions are considered to be valid and passed on to new members of the group. Schein (2008) distinguishes 3 levels of culture, varying from highly visible to very implicit and invisible. According to Kor, Wijnen and Weggeman (2007), an organisation's culture does not stand alone, but exists in relation with the cultures of certain professional groups, sectors or industries, and the country's encompassing culture. A culture is important, since it forms a powerful, dormant, and often tacitly present system of powers that are determinant for the behaviour, perceptions, thinking patterns, and values of both the individual and the collective. It is important to recognise that the culture in an organisation may differentiate according to a team, job group, department, etc. An organisation may have subcultures that may strongly affect the communication and implementation of changes. This is confirmed by Cameron and Quinn (2011), Schein (2008), and Tennekes (1995), who all indicate that the variation in internal subcultures can play a major role in the actual performance of an organisation.

Various dimensions and characteristics of organisational cultures have been described in the literature. Research into the main indicators of effective organisations gave rise to the so-called model of competitive values (Cameron & Quinn, 2011). The model of competitive values relates organisational culture to the capabilities of an organisation. The model identifies two dimensions where cultures may differ. The first dimension concerns the organisation's structure. This dimension distinguishes effectiveness criteria where the emphasis is on stability, arrangement, and the controllability of these criteria that give prominence to flexibility, freedom of action, and dynamics. The continuum of this dimension runs from organisational stability and sustainability at the one end, to organisational manoeuvrability and flexibility at the other. The second dimension relates to the organisation's focus. This dimension makes a distinction between productivity criteria that emphasise internal focus, integration, and unity and also criteria that stress external focus, differentiation, and rivalry. The continuum of this dimension ranges from organisational coherence and consensus at one end of the spectrum, to organisational division and independence at the other (Cameron & Quinn, 2011). Together, both these dimensions form 4 quadrants, each with their own collection of indicators for an organisation's effectiveness. These 4 quadrants define the core values that serve as bases for a judgement about the

organisation. These core values represent contrastive or competitive values. Each end of the respective continuums puts emphasis on a key value that contrasts the value at the other end: flexibility versus stability, internal versus external focus. The dimensions thereby render quadrants that are also contradictive or competitive diagonally. Due to these competitive or contrastive values, the model is referred to as the model of competitive values. Each quadrant has been given the heading that reflects its most conspicuous characteristic: *family*, *adhocracy*, *market*, and *hierarchy* (Cameron & Quinn, 2011).

## **2.2. An organisation's effectiveness**

Effectiveness refers to the extent to which the organisation's objectives are met (In 't Veld, 2007). According to Kor, Wijnen and Weggeman (2007) a small number of values and standards shared by most of the employees are common to the most effective organisations. In order to measure an organisation's effectiveness, it is important to first determine the relevant performance indicators. A frequently used theory that helps arrive at such indicators, is known as Tactical Control (Franssen & Schepers, 2006), whereby the organisation's effectiveness is operationalised in measurable objectives. It uses the methodology of critical success factors. These are factors that are influential for the organisation's success. It is important not to determine too many critical success factors, though, for the recognisability of the factors and their usefulness declines as the number of critical success factors increases (Franssen & Schepers, 2006).

## **2.3 The relationship between an organisation's culture and effectiveness**

Peters and Waterman (2006) looked into the characteristics of excelling businesses. A domineering and coherent culture proved to be a common characteristic. There is clarity as to the most important cultural values, one or two strategic top priorities, and some financial indicators, and their employees know what is expected from them. Cameron and Quinn (2011) made a connection between an organisation's culture and effectiveness by concluding that successful businesses distinguish themselves through a clearly demonstrable organisational culture. Hofstede and Hofstede (2009), Schein (2008), and Tennekes (1995) relate organisational culture to the strategic objectives that the organisation aspires to realise. Strategy, structure, management, and the organisation's results are all influenced by the organisational culture.

## **2.4 Changing the organisational culture**

The implementation of a new organisational structure in the organisation where we conducted this case study, originated from the strategic objective to make its service provision more productive. The literature confirms the correlation between an organisation's effectiveness and culture. If its effectiveness is to be improved, its culture needs to be adapted. However, an organisational culture can be averse to development. Cultural change is a mechanism that requires the backing of the employees, rather than being forced upon them through a higher authority. Schein (2008) and Hofstede and Hofstede (2009) argue that a culture is so stable and, therefore, so hard to adapt, because culture is a reflection of everything the group has learned over time and developed into collective customs and practices. Kor, Wijnen and

Weggeman (2007) refer to shared ways of thinking and acting as elements of culture. They posit that it is impossible to create an entirely new culture. It is important to promote a new way of thinking and acting. However, the members of the organisation will only internalise and adopt these into the new culture if over time they prove to work better than the previous ones. This shows that in order to generate encouragement for the cultural change, we need to study the perceptions of the degree of effectiveness in regards to the existing organisational culture. Tennekes (1995) postulates that culture is focused on practices and thus subject to change. He argues that a culture's concepts of reality, values and standards change since organisations are continually faced with new problems and, moreover, their employees changes over the years. According to Schein (2008), a good or appropriate culture is dependent on the extent to which shared, tacit assumptions are useful within the environment in which the organisation operates. Since culture is of such cardinal importance to an organisation's effectiveness in the long term, Cameron and Quinn (2011) argue that is it absolutely essential for the people involved in research or the management of an organisation to acquire insight into the main dimensions of a culture and be able to develop a specific strategy for the purpose of changing it.

### 3. Methodology

The research methodology is a case study. We opted for this strategy, as this organisation is a typical case of Care and Social Welfare sector in the Netherlands. Case studies may be used for different types of research purposes, including theory development and theory testing, in which key variables and their links are identified and described (Saunders, Lewis, Thornhill, Booi, & Verckens, 2011; Saunders, Lewis & Thornhill, 2012).

#### 3.1 Measurements

*Effectiveness:* Twelve critical success factors were defined on the basis of interviews with 5 employees responsible for the organisation's strategy development. They were asked to score a number of critical success factors according to their importance to the organisation's effectiveness. According to the interviewees, these 12 critical success factors were most important to the performance of the service provision. Each interviewee received a report of their interview in order to ascertain whether theirs and the researcher's perceptions corresponded.

Next, all the employees were also asked to score the 12 success factors according to their contribution to the organisation's efficacy in a questionnaire. The 4-point Likert scale (very bad, bad, good, very good) was used. For the purpose of analysis, the 12 critical success factors were subsequently combined into 2 new variables (**Table 1**). The new 'KSF client' variable comprised the average score of the 6 critical success factors for effectiveness, from the perspective of the client. The new 'KSF buyer' variable comprised this in respect to the buyer. The Cronbach alpha of KSF client was 0.762. The Cronbach alpha of KSF buyer was 0.564.

Table 1 Summary of the selected critical success factors for effectiveness

<i>KSF client</i>	<i>KSF buyer</i>
Professionalism	Cost price
The question has been answered	Financial result
Treatment	Quality
Question-driven	Productivity
Transparent	Added value to society
Reliability	Extent and manner of communication

*Organisational culture:* The organisational culture was measured through the Organisational Culture Assessment Instrument (OCAI). The OCAI is based on the model of competitive values (Cameron & Quinn, 2011) and includes a unique mix of 4 types of organisational culture. The OCAI was designed to determine the currently existing as well as the desired culture. In this study, the culture as desired by the management was compared with the culture appreciated by all the employees of the organisation, in order to determine whether the cultural change would be facilitated by their support. The OCAI comprised 4 statements for each dimension. In total there are 6 dimensions. The respondents were asked to divide 100 points over these 4 statements, depending on the degree to which each statement applied to the organisation. The current organisational culture was scored in a column headed "now", and the desired organisational culture in the column titled "desired". We chose to use the ipsative assessment scale. The advantage of an ipsative assessment scale lay in the fact that it forced the respondents to seriously consider the actual exchange that would take place within the organisation. An ipsative scale does not render an independent response (Verstraete, Maes & Hublet, 2010). We used the Pearson's product-moment correlation coefficient to calculate to what degree a linear connection existed between the variables of culture and effectiveness.

### 3.2 Research population

The questionnaire was sent to all of the employees. The organisation concerned employs a total of 85 employees, 54 of whom completed the questionnaire. This rendered a total response of 63.5%. Of these respondents, 6 employees fulfilled positions at the management level, 32 worked as consultants, 5 had a middle-management position, and 4 worked in the secretarial office. The other 7 respondents did not disclose their position. More than half of the respondents, 67%, were female as opposed to 20% of male respondents. 13% of the respondents withheld their gender. Most of the respondents, 41%, were aged between 50 and

60. For the larger part (60%) they were older than 40 years. Additionally, 83% of the respondents held a university degree (professional or academic higher education).

## 4. Results

### 4.1 The correlation between the current culture and the effectiveness of the service provision

The client-related critical success factors of 'professionalism', 'treatment', and 'reliability' scored the highest. The same goes for the buyer-related critical success factors of 'quality' and 'added value to society'. It was noticeable that the aforementioned highest scoring critical success factors were all related to the quality of the service provision and not to factors connected with its cost. The average score for the KSF client variable was 3.03. The KSF buyer variable scored an average of 2.85. **Table 2** presents the correlation between the present culture and the effectiveness of the supplied service for both the client and the buyer.

Table 2 Correlation between the current culture and the effectiveness of the service provision

	Famil y ( <i>r</i> )	pvalue	Adhocra cy ( <i>r</i> )	pvalue	Marke t ( <i>r</i> )	pvalue	Hierarch y ( <i>r</i> )	pvalue
KSF client	0.337 *	0.013	0.171	0.216	-0.291 *	0.033	-0.278*	0.041
KSF buyer	0.263	0.055	0.290*	0.033	-0.279 *	0.041	-0.390*	0.023
KSF customer total	0.337 *	0.013	0.244	0.076	-0.315 *	0.020	-0.322*	0.018

\* The correlation is significant (p-value <0.05)

Based on the results in **Table 2**, it can be concluded that, from the perception of the employees, family culture significantly correlates with the effectiveness for the client. Market culture and hierarchical culture both show a significantly negative correlation in terms of the efficacy for the client. As for the effectiveness for the buyer, there is a significantly positive correlation with adhocracy, but market culture and hierarchical culture show a significantly negative correlation here. For the total effectiveness for the customer (i.e. for both client and buyer), we found a significantly positive correlation with family culture, but a significantly negative correlation with market culture and hierarchical culture.

In conclusion, it can be predicted that the significantly positive correlations between family culture and the effectiveness for the client and customer will have a negative impact on the support for the required cultural change, which would incorporate less family culture. The negative correlation between market culture and the effectiveness for both the client and the buyer implies that there will be limited or no backing for the required cultural innovations towards more market culture. However, given the significantly positive correlations between adhocratic culture and the effectiveness for the buyer, it is likely that the required cultural change towards more adhocracy will be able to rely on support.

#### 4.2 Desired versus required cultural profiles

Compared to the current culture, the cultural profile desired by the management entails a strong shift towards more adhocracy and less hierarchy. The degree to which the management's desired cultural profile corresponds to the cultural profile as wished for by the entire organisation is important to the extent of the support for the cultural change. The OCAI scores are shown in **Diagram 1**.

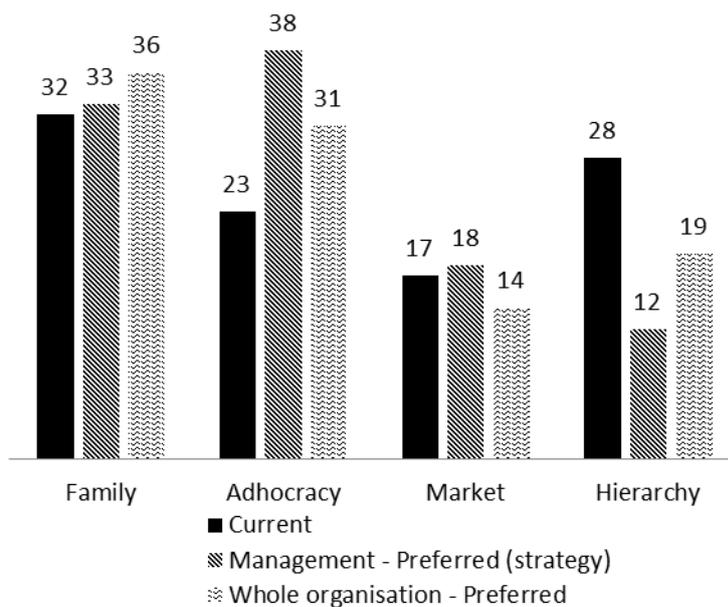


Diagram 1 OCAI scores according to function group

Similar to the required profile, the cultural profile desired by the organisation as a whole also entails a strong shift towards more adhocracy and less hierarchy. An important difference is that the cultural profile wished for by the entire organisation does not involve more market and less family culture. On the contrary, in comparison with the profile required by the management, the profile desired by the organisation overall deviated by 3 points for family culture, and by -4 points for market culture.

## 5. Conclusions and recommendations

This study shows that, according to the employees in the organisation in question, there are significantly positive relationships between more family culture and the effectiveness for both the client and the buyer, and between more adhocracy and the effectiveness for the buyer. This implies that the employees believe that family culture contributes, in the positive sense, to the critical success factors for effectiveness from the client's perspective. They also believe that an adhocratic culture contributes positively to the effectiveness from the perspective of the buyer. In the employees' view, market culture and hierarchical culture correlate significantly negatively with the effectiveness for the buyer and the client. These cultures do not contribute to the productivity of the service provision from the perspective of the customer (both client and buyer). According to the employees, the efficacy of the service provision in the existing culture, which is dominated by family culture, is good. Therefore, there appears to be no support for an enhancement of the market culture and a reduction of the family culture. This is also reflected in the culture desired by the employees.

Their desired cultural types of family and adhocracy focus on the underlying values of flexibility and freedom of action - and clearly less on stability and controllability. In a context where affordability and efficiency of the service plan are under great pressure, external focus and result-oriented working are of essential importance. These require an increase in adhocracy and market culture in the strategic vision and the cultural profile as demanded by the management (Cameron & Quinn, 2011). From the discrepancy between the current and desired cultures, we can deduce that the employees are aware of the necessity to change. Compared to the current culture, the employees would like to have more adhocracy and less hierarchy. Therefore, support for the enhancement of the adhocratic culture as specified in the required cultural profile seems to exist. It follows that in their desired profile the employees are already moving towards the necessary cultural profile. An increased external focus can be observed. Their preference for less market culture and a more family focused culture, however, is in contrast with the shift towards more market and less family culture in the required cultural profile. The discrepancy is substantial. There seems to be no support among the employees for this required cultural change.

It may, therefore, be concluded that an increase in adhocracy can count on support, but the enhancement of the market culture cannot. After all, according to the employees, the promotion of the latter will lead to less effectiveness of the service provision for the client and the buyer, jointly. This came to the forefront in our study as the major issue. The main challenge for the organisation involved in this case study lies, therefore, in generating support for the development of more market culture.

Within the framework of the required cultural change, the organisation is faced with the challenge of encouraging more adhocracy and market culture. This demands more entrepreneurship, more freedom, own responsibility, and innovative initiatives. It is also a shift towards more flexibility and more external focus towards buyers and clients. To a certain extent this seems to be in contrast with the necessity to control costs and work efficiently, which actually require standardisation and coordination. In order to enhance the

adhocratic culture, we arrived at the following recommendations:

1. Make an inventory of the desires and questions of the clients and develop new services in collaboration with both employees and clients (Kotler, Kartajaya & Setiawan, 2010)
2. Keep in with, and pay attention to, all the challenges for the future in the relevant industry and organise brainstorm sessions to help tackle them as creatively as possible.
3. Reserve time for new initiatives and provide room for experiments; utilise the employees' ideas. Make sure that employees have a sense of ownership when it comes to renewal and innovation.
4. Make an inventory of all the areas where regulations and procedures hinder an optimal service provision, experiment with abolishing these rules, and monitor whether the employees take responsibility for the results.

The challenge that the organisation faces is to link the market culture to the family culture by erasing its negative image and making the employees aware of the importance of production, cost control, and competition to the continued existence of the organisation and thereby to the service provision to disabled people. It is important for employees to realise that performance and result-focused working do not necessarily exclude values like human-centeredness, community, and involvement. In order to strengthen the market culture, we have the following recommendations:

1. Set clear, measurable goals and actively involve the employees to realise these objectives.
2. Involve employees in determining a limited number of critical success factors that are essential to the effectiveness of the service provision, communicate these, and ensure continuing and transparent monitoring and direction. Communicate successes.
3. Train managers and employees in regards to the development of competences like an entrepreneurial attitude and a focus on results.
4. Invest in a client-focused organisation, redesign work processes accordingly, and continually measure customer satisfaction. Involve employees in the development and implementation of improvements.
5. Invest in collaborations with external partners, in networks and chain care. Participate in innovative partnerships that result in efficient care and service provision (Dijkstra, 2011).
6. Take each other seriously as professionals. Call each other to account when it comes to achieving the results and contribute to improving them (Lee, 2009).

## 6. Biographical notes

Jol Stoffers is a professor of Employability (lector) at Zuyd University of Applied Sciences (Faculty of Management & Law) in the Netherlands. He leads the Research Centre of Employability, and his research focuses on Employability (HRM), Leadership and Innovative Work Behavior. Next to that, he is academic program manager of the master of Personal Leadership in Innovation and Change. Jol Stoffers holds a PhD in Management Science from the Radboud University (Institute for Management Research), and an executive MBA (Master of Business Administration) of Maastricht University. More than fifteen years he worked as a manager and senior HRM consultant in the insurance and recruiting industry.

Petra Neessen is an independent researcher affiliated with the Research Centre of Employability at Zuyd University of Applied Sciences. Her research mainly focuses on Employability, Work Ability and Vitality. Petra Neessen holds a Master of Science degree in Work and Organizational Psychology from Maastricht University in the Netherlands and a Master of Science degree in Animal Sciences from Wageningen University and Research Centre in the Netherlands in cooperation with the Swedish University of Agricultural Sciences in Sweden.

Annelie Gorissen has extensive experience in various management- and executive positions in care and social welfare organisations. She is successful in managing change within organizations. At the moment she is a manager in a care and social welfare organisation in the South of the Netherlands. The professionals in this organisation provide disabled people with client support. Annelie Gorissen holds an executive Master degree of Leadership in Change (MLC) from Zuyd University of Applied Sciences.

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