

# What Types of Organisational Cultures Do We Encounter Within Public Sector Organisations?

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**Abstract:** This argument will be supported by the analysis of the different types of organisational cultures that public firms have adopted. The use of an organisation in Australia will be used to further enhance this argument. The paper will conclude by giving the advantages and disadvantages of these cultures to enhance the importance of these cultures in the management of public sector firms.

**Keywords:** Organisational Theory, Organisational structures.

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## 1. INTRODUCTION

Work processes, goal definitions and implementation strategies in organisations are dependent on the structure of policies that are designed for the organisation (Hatch 1997). Social processes and definitions are also embedded in the design of the character of the firm. The management of organisations follows a particular structure that enhances the manner in which individuals work, interact and develop in the work environment (Christensen 2007). For this reason, private and public sector organisations enhance the formation of organisation cultures that determine the manner in which these work processes and goal formulation is done (Hatch 1997). The influence of organisational structures is embedded in the formulation and implementation of organisational theory (Christensen 2007).

Through the formulation of the organisational theory, organisational culture is formulated (Greener 2009). Organisational culture describes the shared values, concepts, notions, and approaches that guide and give direction to the work processes of an organisation (Greener 2009; Pilay & Billney 2015). In this regard, organisational culture determines the manner in which elements in the workplace are integrated with work processes and human relations (Christensen 2007). It is because of organisational culture that the work processes and ethics differ between public sector organisations and private sector firms (Christensen 2007). As such, the decision-making processes in public sectors are different from those in the private sector thus enhancing the different work processes in these two domains. The element of comprehending organisational culture enhances the provision of insight into different aspects including the identity of the firm and the history of the firm (Pilay & Billney 2015). In public sector firms, organisational culture promotes the understanding of the characteristics of the firm, its leadership or management system (Matheson 1997), and its human relations concepts and processes (Panagiotis, Alexandros & George 2014).

With the implementation of organisational theory, it is evident that different organisational cultures exist for firms in the public sector (Pilay & Billney 2015; Greener 2009). Therefore, this argument will be supported by the analysis of the different types of organisational cultures that public firms have adopted. The use of an organisation in Australia will be used to further enhance this argument. The paper will conclude by giving the advantages and disadvantages of these cultures to enhance the importance of these cultures in the management of public sector firms.

## 2. ORGANISATIONAL CULTURE

The definition of organisational culture has been based on the description of the manner in which processes are conducted in organisations. In this regard, organisational culture is the process of sharing values, concepts, notions, and approaches, and using these elements to guide and give direction to the work processes of an organisation (Greener 2009; Pilay & Billney 2015). Organisational culture stems from the nature of integration of elements in the internal and external environments and using these elements as the driving forces of policy formulation and strategy implementation in the organisation (Laegreid & Verhoest 2010). Greener (2009) also explains that organisational culture may be referred to as the set of accepted assumptions that are accepted within the workplace environment based on the values, identities and historical foundations of the firm. Organisational culture is an important element in ensuring that the leadership of the firm is established (Laegreid & Verhoest 2010). It also facilitates effective working processes in the firm and establishes human relations that enhance productivity (Schraeder, Tears & Jordan 2005).

### **Organisational Culture in the Public Sector:**

Organisations in the public sector have implemented different organisational structures that have enhanced cultural changes and diversity management (Greener 2009). The main elements that define the type of culture that firms in the public sector adopt are internal and external orientations (Panagiotis et al. 2014), and the balance created between control and flexibility (Schulz 2001). Therefore, the different combinations that are enhanced through integrating these elements result in the formation of different cultures in the public sector. These elements of organisational culture can either make companies become entrepreneurial and adaptive to different situations (Greener 2009). They can also make a company remain stable but predictable over years (Pilay & Billney 2015). The types of organisational cultures in the public sector are as discussed below.

### **Internal Process Organisational Culture Model:**

This is one of the organisational cultures that integrates the elements of control with the elements of internal focus on the organisation (Bradley & Parker 2009). In this type of organisational culture, stability and control are considered as the most important elements in public service management (Greener 2009). As such, all work processes are facilitated from a control point of view that enhances the ability of the management to control and manage the actions of the employees (Pilay & Billney 2015). The Australian Bureau of Statistics (ABS) is an example of a public sector firm that applies different organisational cultures as a means of making the employees to perform better. In this regard, the organisational culture of the ABS is based on the development of control measures that enhance work processes in the organisation (Edwards et al. 2012). The evidence of this is based on the hierarchical structure that the company has adopted to enhance this notion of control. In this regard, this form of organisational structure advocates for rules to be enforced within the organisation so that conformity to processes is enhanced (Laegreid & Verhoest 2010).

In this model, there is need to follow all the rules and abide by the instructions given (Greener 2009; Bradley & Parker 2009). Such models also ensure that there is a lot of attention provided to technical matters so that work processes and quality are not compromised (Panagiotis et al. 2014). In the ABS, this is considered to be very important since the work processes in this organisation are aimed at providing statistics for the government and other institutions (Edwards et al. 2012).

This model also enhances the use of information management tools and communication action plans to enhance stability and control in the company (Panagiotis et al. 2014). As such, the model ensures that traditional bureaucracy methods are followed to ensure that there is a reliance on rules and procedures (Matheson 1997; Laegreid & Verhoest 2010). This means that the processes at ABS are structured in a way that facilitates control mechanisms to ensure administration guidelines are provided to employees to enhance quality service provision (Edwards et al. 2012).

### **The Human Relations Model of Organisational Culture:**

In this model, systems and processes in the workplace are aimed at focusing on the nature of employee relations with each other and the management so that work productivity can be enhanced (Greener 2009; Hatch 1997). As such, this model enhances the importance of the employees in the firm and focuses on ensuring that their needs are met so that the needs of the firm are met in the long run (Schulz 2001). The ABS employs over 2,000 employees and as such, their needs and issues have to be taken care of for the successful operations of the work processes (Edwards et al. 2012). In this model, the

integration of flexibility orientation and internal focus is enhanced. This is attributed to the involvement of the employees in the cultural organisation system (Greener 2009). As such, the flexibility aspect of this culture is embedded in the enhancement of training opportunities for the human resources of the firm (Laegreid & Verhoest 2010). As such, the management of the firm ensures that the employees are regularly trained to give them the opportunity to improve their skills and develop their abilities (Schulz 2001). This is also important in enhancing productivity within the firm and enabling employees to have more skills towards the enhancement of service provision in firms such as the ABS (Edwards et al. 2012; Matheson 1997).

The human relations model also facilitates employee morale and the cultivation of effective relationships in the organisation (Greener 2009). At ABS, the employees of the firm strive to become better versions of them so that they can enhance effective service provision at the organisation. This is also done through teamwork and cooperation; which is an important element in the performance and implementation of this type of organisational culture (Laegreid & Verhoest 2010).

Although the ABS has a hierarchical structure with controlled mechanisms, it also implements this type of culture because of the importance of employees to the fundamental development and viability of the firm (Edwards et al. 2012). In this regard, the managers in the firm seek to enhance employee relations by changing and creating effective work environments and providing mentorship programs for the employees for enhanced productivity (Christensen et al. 2007).

#### **The Open Systems Model of Organisational Culture:**

In this system the elements of flexibility and external orientation are combined (Bradley & Parker 2000). In this system, external input is important to the achievement of growth in the public firm. As such, flexibility is enhanced by adapting to different elements in the external environment so that development can be enhanced. Although this is not a feature of organisational culture in the ABS, it is applied to other public sector firms in Australia such as Telstra (Edwards et al. 2012). As a means of development, this organisational culture focuses on the achievement of growth for the firm based on elements such as resource acquisition from external sources and external support from other people in the public sector (Bradley & Parker 2000). As such, innovation is an important part of the development processes in this model of organisational culture in public firms.

Because of the element of innovation, this model also depends on entrepreneurial activities to enhance company dynamism in the market (Bradley & Parker 2000). As such, initiatives are based on individual performances in the firm and enhanced purpose in controlling elements in the external environment (Greener 2009). Leadership in this type of organisational culture is based on risk taking abilities of the leaders, and the enhancement of initiatives that are aimed at maintaining dynamism in the firm (Pilay & Billney 2015). Therefore, leaders in this type of culture must have a vision that will enable them to not only control the internal elements in the firm but also have a focus on elements in the external environment (Bradley & Parker 2009). This is an element of making sure that elements of flexibility are facilitated within the public sector organisation. It is also a means of enhancing sustainability of the firm in the public environment.

#### **The Rational Goal Organisational Culture Model:**

Bradley and Parker (2009) explain that this model focuses on policy formulation and strategy implementation based on a specific set of goals for the firm. These goals are formulated as a means of ensuring that productivity, effectiveness, and efficiency of the firm are achieved (Laegreid & Verhoest 2010). This is a model that is focused on ensuring that the management of public sector organisations enhances work processes based on goals that every person in the firm is aware of, in the long run. Public sector firms such as the ABS are dependent on the goals that are set for them. At ABS, goal setting is done to make sure that outcomes of the work processes are enhanced (Edwards et al. 2012). Goal setting is also done to make sure that the fulfilment of these goals is done to satisfy the needs of the government and the entire public (Matheson 1997; Bradley & Parker 2000; Edwards et al. 2012). In this type of organisational culture, delegation of duties is done so that timelines for goal fulfilment are adhered to for enhanced productivity in the firm (Bradley & Parker 2000).

#### **The Application of Organisational Culture in the Australian Bureau of Statistics:**

The modernization of the ABS enhanced the change processes that are being experienced in the firm today (Edwards et al. 2012). As an important public company, different institutions depend on the ABS for the provision of statistical figures about different issues in the country. As such, there is a need for the company to have organisational structures and cultures that influence growth and productivity (Pilay & Billney 2015). The modernization of ABS led to the integration

of different cultural models so that effective practice is enhanced. In this regard, the company integrated the internal processes model with the rational goal model and the human relations model. This is a strategy that led to the company ensuring that its goals and objectives are met by controlling the internal processes of the firm while ensuring that human relations in the firm are enhanced (Bradley & Parker 2000; Edwards et al. 2012). It is for this reason that the ABS has continued to be stable and sustainable in the Australian public sector.

### 3. CONCLUSION

The application of organisational theory in public sector management enhances the application of organisational culture models that enhance the management of firms in this domain. Organisational culture facilitates the enhancement of value sharing and concepts that guide the work processes in these firms in the public sector. Using the ABS as an example of a public sector organisation, the implementation of organisational culture is important in ensuring that productivity is enhanced by the firm as well as effective service provision. For this reason, organisational culture models such as internal processes model and the human relations cultural model have been formulated. Other models include the open systems model and the rational goal model. These models are based on the combination of internal and external elements with flexibility and control elements. As such, ABS has integrated elements from three of the models to come up with an organisational culture model that facilitates goal formulation, human relations enhancement and internal processes consideration. This has enabled the company to enhance productivity and ensure that the provision of public services to the public is enhanced. As such, the presence of these models of organisational culture facilitates productivity and identity formulation on public sector firms.

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