

# A Study on the Cultural Challenges Facing Iranian Organizations

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## Abstract

One of the Iran's most important issues in recent years has been management, which developments and shortcomings were pointed out by the compassionate and hardworking authorities in their speeches and public/private meetings. Undoubtedly, each country's development and improvement majorly owes to the success gained by its management. In fact, it owes to what management pays attention to and gives rewards for it. The strongest cultural index is often organizational. There is a positive correlation between desired values of organizational culture and employees' behavior. Therefore, governmental organizations can promote their employers performance by promoting organizational culture components such as impulsiveness and competition spirit, maturity, encourage employers to be creative, risk takers, and organizing employees' activities around group working. This is a descriptive-analytic study which examines organizational culture and management challenges. The result of the study revealed that organizational culture examination acts as a data gathering tool and enable managers to 1) compare and contrast effective groups and departments, 2) prioritize issues and 3) identify employers' perceptions and expectations in order to overcome challenges and gaps in the current situation. So, desired organizational culture has a significant impact of institutionalizing cooperative management system in organizations. Present study examines basic Iranian organization managers' damages and challenges. It also, provides strategies to confront these. At the end, some suggestions are given to support organization culture and remove management challenges

**Keywords:** Cultural challenges, organizational culture, employees' behavior

## Introduction

Nowadays in the agitated environment, organizations survive. Making organization missions happening requires structural and organization process' change and assimilation with environment needs. Hence, in order to effectively and consciously set this change process, organizations should identify and examine their culture (Beygi et al., 2009).

Understanding organizational culture can lead to perception of organization history and its important events, which probably contributed to formation of its organization institute (Trains Weber, 1993). Furthermore, the growing knowledge about organizational culture can lead to the emergence of leaders, managers and researchers with specific understanding of the fundamental characteristics of the organization (Aschyn, 1985). On one hand, In the Research done a strong relationship between organizational culture, leadership effectiveness and personal effectiveness has been observed (Kvats and Bvglarsky, 2007). On the other hand, organizational culture plays an undeniable role in the success of businesses variation (Philip and McCune, 2004).

Culture is considered a new way to understand organizational life. So, it is inevitable for the wise manager to focus on cultures. If desirable and stable changes are supposed to occur in an organization, its culture should be changed and consistent with the transformation of the organization. In other words, the success or failure of an organization should be sought in their culture. Despite the fact that organizational culture is a combination of

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common and public beliefs and values which affects an organization members behavior and thought, it must be consistently emphasized that there is an obvious gap between basic believes and wishes of senior officers and employers' daily believes and norms. Only when there is a stable relation and vast cooperation in beliefs and values of senior officers and employers, we can believe in organizational culture existence. Achieving organizational culture capability (potential) depends on creating and keeping a stable psychological bond and individuals' commitment to the values of the organization (Gray, 1994).

### *Importance of culture recognition (identification) for organizations*

Culture is important. It is important since any action without knowledge of cultural forces (which are always at work) might have unforeseen and unintended consequences. An organization's culture includes beliefs, attitudes and assumptions and common expectations which in the absence of an explicit law or instructions, guides behavior and in many organizations, most of management situations are like this. Culture can be a powerful resource of identity, common purpose and flexible guidelines.

### *Definitions and culture concepts*

Management scholars have given various definitions of organizational culture. Spender (2006) defines organizational culture as a shared belief system between members of an organization. Rail calls strong values that are widely shared, organizational culture. Dale and slow define organizational culture the work that we do in the organization and Hofstede (1997) considers organizational culture a collective programming of the mind. Ouchi's (1985) in his z theory regarded a series of symbols, rituals and myths which conveys basic values and beliefs of the organization to its employers as a definition for the organizational culture. Edgar Shine (2003) defines organizational culture as: a pattern of basic assumptions that a given group has invented, discovered or offers to learn coping with external adaptation issues and internal integration. When there are a large and profound common beliefs and values among the members of a society or an organization, that society enjoys a stable culture; otherwise the society's culture is unstable and can be easily changed.

### *Management challenges*

A successful manager is someone whose unit has achieved high performance and can maintain it as a capable unit over time. Such a manager is able to consistently help other employers to do their jobs effectively and in time. However, each manager's job has been complicated today with these unpredictable changes. Global competition, new technologies, changing culture and changing social values are only a few of the various procedures which confront successful managers with challenges. All of these challenges will change nature of daily human resources management. (Abdul Sheikh, a view on the organizations managers challenges).

The most important challenges can be examined from management and outcome perspectives:

#### A) Management challenges

1. Absence of believability: some managers believe that employees are not only skillful enough to perform their responsibilities, but also do not have the necessary capabilities to play new roles. They believe that capability is innate rather than acquired; therefore, they oppose with or obstruct the course of all matters and processes related to enabling employees.

2. Management security threats: Some managers assume that employers empowerment, will result in their loss of control. So they do not show much interest in sharing or transferring their own work skills and prefer do all the tasks themselves rather than involving others (Bakynham, 2005).

3. Not enough credits allocation: though programs which aims at enabling employers are executed, and will eventually will lead to growth and excellence in quality the of organization, yet there are budget managers and decision makers who believe budget allocation for such programs are costly and extra burden on organization and unfortunately such rules are found in many organizations' practical experiences (Tadbir, 2008).

#### B) Outcome challenges:

1. Change management style: in empowerment programs, management styles will change to leadership styles. This change always has a challenge creating effect. Because it requires questioning traditional ways of working, risk-taking and experiencing , focusing on team activities , expanding employers authority range, focusing on new values , willingness to share organizational information and improvement method which is often followed by strong resistance of all organizational levels.

2. Change employers performance: empowering plans will make employers to speak openly, instead of finding someone to blame they look for solutions, look for participation, prefer community contentment (welfare) to individual interest and finally not to seek standing out and think of the community. While, the centralized structure of most organizations, make these items potential challenge makers and cause many problems, especially in the area of labor relations (Pvsyant, 1998).

3. Organizational structure change: in the empowerment process, the organizational structure will change from pyramid to circle structure. Although this structure allows employers to behave to some degree of freedom and responsibility, cooperation and group working is accounted as a major organizational value in this structure. Comparing to pyramid structure in which nothing is done, unless its confirmation and sign have been taken in advance it makes several challenges (Tadbir, 1998, p. 70).

The most important management challenges which Drucker points out are as follow:

1. Necessity of welcoming any change: transformation cannot be controlled but we can be gotten ahead of. In the era of rapid structural changes, only the organizations can be rescued which lead the transformation. Therefore, in the twenty-first century the most fundamental management challenge is to lead your organization to change. Transformation pioneers themselves seek this phenomenon and know how external and internal changes will turn into beneficial opportunities. In this regard, Drucker believes that the first policy, which is the basis of all other policies, is to forget the past.

2. New Information Revolution: in the following century information management in all organizations, will be transformed. This is not merely revolution in the field of technology, equipment, hardware, software and speed; it is a revolution in concepts. Hence the need to develop new types of information sources for effective decision making will be greatly felt.

3. The need for increasing knowledgeable employees' productivity: it can be stated that the greatest contribution of twentieth century's to the advancement of the administration and management in industrial activities, is the fifty times increase in productivity of employees who work manually. In the twenty-first century the same task must be done for knowledge taking jobs and knowledgeable employees. In the twentieth century, the

most valuable asset of an organization was its tools of production, but in the twenty-first century scholar and employee productivity, will have such position. Therefore, the need to development tools and methods for measuring and increasing the productivity of knowledgeable employees will be seen more than before.

4. Knowledgeable employees need to self-management: gradually workers and knowledgeable employees will have no fixed and specific employee. They need to prepare themselves for doing number of tasks together and working in more than one profession and organization. In this book, in our current society and community situation everybody needs to learn self-management and be their own managers. Knowledgeable workers should think about defining a new level of responsibility for their profession management.

Changing workplace challenges: in the contemporary era, there are four major forces which have impact on workplace changing:

1. Information technology and intelligence agencies: Toffler asserts that the developed world cannot be run without information technology even for thirty seconds. In the present era technological advancement are growing very fast. The application of information technology in business has changed work practices. Increased use of artificial intelligence has increased and boosted jobs' dynamic. In this era, learning is the heart of productive activity. In fact, learning a new form of working. The heart of the information age is information network which provides information fast and at the right time. The major problem in this regard is the transfer rate. Internet and its associated technologies, along with communications technology have grown faster than the other technologies. In the future Computer network will be improved as a global nervous system. Political boundaries are achieving an electronic consensus which is unrecognizable to traditional powers. Internet comparing to other technologies has been committed to provide the same access for all individuals, whether poor or rich, and facilitate its application as much as possible.

2. Organization size and structure: gradually more and more organizations realize that the key source of business is not capital and equipment, rather it is knowledge, information and ideas. Therefore, organizations turn to restructuring; create integrated organizations, global network and smaller central agencies. Generally, the organiza-

tional structures are changing towards virtuality, decentralization, integration and flexibility. In future organizational changes will be increased as a learning tool. The next challenge is to stabilize organizational change.

3. Total Quality Management movement: the focal point of activities in all organizations is the ability to attract and retain customers by meeting their ends and providing them with high quality products and services. In the global market, quality is defined and determined at the global level. Customers have the right to choose and quality is important. Competition advantage results from continuous and increasing innovation and refinement of diverse ideas which are scattered throughout the organization.

4. Employees Diversity and mobility: labor/employee movement across borders has increased. In 2001, about 25% of United States workforce involved foreigners. The gap between labor/employee supplies has caused this situation.

## Materials and Methods

To identify obstacles and challenges facing cultural development and to answer this question: what problem confronts Iran's society in the course of cultural development? Some prominent Iran's cultural features were identified and examined through studying article and book about culture and culture development, consulting experts in the field, and reflecting upon them. It was seen that some obstacles rooted in organizations management, planning and structure and some in people's behaviors and personality. The identified features are: management instability, absence of freedom, absence of planning, poor thinking, work laziness, lack of discipline and order, individual and solitary spirit, lack of motivation, lack of time sensitivity, not giving value to learning and training, and etc. After examining and analyzing these features as challenges which face culture development in Iran, in order to achieve strategies which can remove mentioned obstacles, through some studies and examination in cultural fields, some strategies were introduced, examined and analyzed.

### *Cultural development challenges in Iran*

Identification of barriers and challenges which confronts cultural development in Iran slows down the mentioned learning process, and even stops it is necessary. Identifying these challenges helps us to

find some solutions. Some of the most important barriers are:

- Management instability: one of the major challenges in Iran's cultural management is management instability, which means appointing cultural managers from top managers to operational managers depends on political fluctuations. Therefore, their management period is too short and it contradicts long term nature of planning and plans continuity. Furthermore, this instability as a challenge will postpone cultural development process. In management system a manager lose his post and another person took his place. It is the new managers' right to take over management system from the last manager but previous manager experience wouldn't be conveyed which is a weakness. Its reason is our administration problems and not being able to create a system in which experience issue is institutionalized. The experience obtained should not be repeated (Jafari, 2000).

- Bureaucracy

It seems that cultural development base on bureaucracy theory cannot be a creative and dynamic cultural development. Because it wants to adapt all people with educational and administrative consistent rules and regulations, thus it prevents their creativity and cultural innovation development. If cultural development looks for innovation and focuses on quality, it should necessarily modify a lot of restrictive regulations since administrative bureaucracy due to its essential characteristics cannot be open to creativity and innovation, and in many cases ignores quality for quantity. Reducing bureaucracy in cultural planning facilitates participation and creativity and in its own is another evolution for cultural development.

- Lack of participatory management

Philip Kvmzb in his book *Global Crisis of Education* states: "If change is going to occur in the field of education and culture, this transformation should be initiated management in education. (Askarian, 2005). He believed that main root of culture and education problems are in «Management». One way to manage change and reform is the implementation of participatory management. In a large organization called cultural management planning problems, organizing, coordinating, and evaluating need double participatory management. Participation is like strong arms for management which organizes many within organization problems (Zahedi, 1991). Employee participation means all measurements which increase employees' influ-

ence and responsibility in the process of decision making and its purpose is to reduce conflicts and clashes between managers and employee (Zahedi, 1991). Therefore, in order to development cultural management, tendency to participatory management has gained great importance. In current world this tendency not only encompasses cultural systems but also other institutions of the society.

- Lack of freedom: looking at the history we find out that Iran has been consistently governed based on individual, group, tribal and party autocracy. But there is more than half a century that a kind of democracy which means people rule the people (which also significant public participation), has emerged in the West. In this century liberal constitutionalism Efforts in Iran defeated shortly and in under layers of modern tyranny, freedom lost its meaning, and people like rulers only thought about their belief and share rather instead of believing in their national identity and interest. Consequence of hypocritical tyranny has stemmed such in our culture that even our local intellectuals and educated people, interested in developing the land, themselves have become tyrants and dictators. It was after the Islamic revolution in Iran, that the Islamic Liberation started to emerge. Therefore, the main challenge of cultural development is the lack of freedom which leaves a lot of consequences in political, social, administrative structures and etc. of the society.

- Lack of planning: Perhaps planning cannot make unachievable attainable, but lack of it of planning can certainly make the achievable unattainable. Achieving cultural ideals which the Islamic revolution, has put forward the Islamic Republic, requires more attention to cultural programming. Planning, management and organizational culture can allow more precise implementation of actions, designing measurements and culturally appropriate actions in accordance with suitable goals and priorities. Planning is a scientific and specialist task, but in developing countries another type it has become prevalent which might be called wish and fantasy planning. On the other hand, in such countries people do not believe in plans and leave things to fate. Cultural development of a society requires planning. Cultural development planning long side other plans will facilitate the development process and gives us a clearer picture of future.

In addition to this cultural believe in long-term planning and programming has not been formed in such communities and they are trying to solve cul-

tural problems by short term planning.

- Absence of self-confidence and fatalism spirit: Cultural elements arising from such spirit in one way or another cause denial of human abilities and power to rationally change the environment. It has been widely observed that people with the lowest powerlessness or smallest encounter with their environmental problems, somehow restrict their scope of action and instead of trying to search for solutions, have lost their identity. For example, in snowy days, when just a little snow falls, from children to friends, many officials and newspapers talk about closing schools because a little snow. While the Netherlands is a cold country and almost nine months of the year it is cold and freezing, but they have overcome this nature problem with creativity; however, unfortunately our community does not have this culture.

- Deficit thinking:

Among challenges of the cultural development which are culturally barriers and negative is deficit (low) thinking. The first thing inconsiderate people do in order to achieve their purpose is to ask others for a solution. If others have a solution they typically follow that, otherwise they stop following the matter. Afrough considers the consequences of being away from thinking the main problem of Iran society, formalism, populist rejection, calque and etc. He writes: "from a certain point onward, our fundamental problem in the history is being away from thinking. The more we further ourselves from thinking, the more we turn to formalism. Formalism results in, claque, blind imitation, rejection of commons, classification, mind educating and empiricism "(Afrough, 1997).

- Boredom and low working: One of the problems of cultural development in Iran is that people are mostly not active, boring and incapable. According to the research this problem is primarily rooted in the family. Japanese in one of Iran organizations had told his Iranian colleague: "You think of holidays, but we Japanese think about work".

- Lack of discipline and order in tasks: the necessity of discipline and order must be accepted as a cultural belief. In past, if for a reason a farmer couldn't show up on time for his work, only his own job was postponed for some hours, but today, because of the collective nature of jobs, if anybody doesn't arrive on time for his jib, the whole working system is disturbed. So in order to create work orders, having a collective discipline should become a cultural belief. Some countries like Japan and Ger-

many, who have developed, have high level of job discipline in their working environment.

- Individualist spirit: As long as there is an individualist and personal spirit no development will occur. Cultural development in real will happen when individuals participate together in all the fields.

- Lack of motivation in a dynamic culture: People always take steps to improve the current situation and there is motivation to improve in them, i.e. the desire to achieve a better position fosters cultural development motivation. In a society where willingness to learn exist under the concept of motivation, the society is vulnerable to progress and develop.

- Insensitivity to time: today societies move on a path in which activities are done according to the real time, which means responding to events happens exactly at the time when it took place. In such a situation even seconds are important. In Iran most of the meetings, conferences and appointments do not start on time, which is a cultural challenge. According to conducted studies in Iran the average daily effective work is one hour in public organizations, and about two hours in the industry. In other words, only a small amount of the time we spent in work activities is dedicated to effective work and the rest is time-wasting, while the work has not been done.

- Not valuing learning and educating to learn: should become a value and culture for a life time and successively. The necessary to train human resources in any organization and community is a mean to development. In order to keep pace with global developments is subject to continual education of human resources. A kind of education which keeps people in the same pace with science and research developments and is accompanied by new precise and orderly evaluation. Lack of such educations, is a great obstacle in the way of cultural development, and will delay it.

Among strategies for cultural development the one which has a significant role in effectiveness and quality of its activities, is educational program for the promotion of human resources community knowledge level. Some of the results of this kind of planning are familiarity with new research, new methods of doing things and new technologies, etc. one of the important points in this regard, which the directors of cultural organizations should pay enough attention to in the continuity of this type educating.

## Conclusion and suggestions

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Cultural development of a society needs acceptance of people attraction and their continual education. The acceptance and attraction occur in case people consciously accept it and regard it useful. In other words, people must feel that they are ineluctable to accept it in order to have a balance relationship with the surrounding environment. When innovation, change, sensitivity to time, value of teamwork and not individual, criticism, respect for education, emphasize on personality and others' right will become a cultural belief. On the other hand, it is necessary for societies' cultural organizations to aim at establishing a stable cultural management, participatory management, cultural planning system, reducing the bureaucracy and the reduction of restrictive regulations by a fundamental change in the structure, rules and management and planning. So that return to Iranian- Islamic cultural identity in our society would promise the enemy cultural invasion defeat. What is evident is that in the third millennium pioneers in the development of culture, are new conquerors of the modern cultural world and neglectors of this fact will be losers in this period of history whose fate will be written by others. Today organizations are encountered with increasing speed, intensity and depth in the internal and external conditions. One of the most important tasks of senior managers is to fit the goals of the organization, the employee's perspective, management attitudes, strategies, activities and etc.

Identification of core values is an essential step in changing the culture, determining core and permanent values. After that is providing participatory perspectives of what the organization wants to hear, i.e. what kind of culture, values, and organizational structure is needed to be able to develop and deploy strategies, also to comply with current and future environment. Whether faster action is needed? Whether you need to have closer contact with clients? The next step is evaluation of cultural elements which needs to be changed. Usually cultural changes are started by diagnosing current culture and evaluating future strategic goals. Determining senior managers for leading cultural change can be very effective, since it is the key success factor for culture change. If the management includes people with different expertise, they will have a positive effect. Management should make sure that people have enough dominance and concentration also,

they should be able to build up trust and reliance at all levels of the organization. It is also required to empower others decision making and operations which led to change. When the distance between the new culture and the organization was assessed, the establishment of program goals and time horizon should be done and an operational plan must be developed. Changing organizational culture requires providing a careful and convincing interaction among all the stakeholders and motivating them. All employers should be placed in a chain by asking questions in order to understand the need for change. They should know how this change is to their benefit and how it will create new opportunities. Leading change means guiding, facilitating and empowering all forces, to support the change. Then, resistance obstacle and sources and developing strategies to overcome them needs to be identified. Because different people react variously to change and if these conflicts and contradictions at different levels are not removed, resistance will definitely become harder. The next step in strengthening organizational culture change is institutionalizing and modeling which management has a critical role in modeling, reinforcement and employee rewarding. When management decision and behavior is in accordance with changes, it is like motivational messages to support the change. According to these results, the following general recommendations are proposed:

1. Managers can pave the grounds for improving the organizational culture components level by attracting good employees who reinforce cultural desired values.

2. Managers should provide more suitable grounds for entering researchers to the organization, doing research in the field of organization culture and the relationship with employee performance by having more cooperation with researchers; so that through finding their organizational culture weaknesses help its promotion.

3. Organizational Culture as an important matter, must be a priority in the activities of organizations managers, since with the accurate knowledge of the culture and becoming familiar with its characteristics, management can plan short-term, medium-term and long-term programs and prepare himself to meet a market full of evolution and competition. Therefore, increase success and its survival rate in the market.

4. Managers need to analyze the existing culture in their organizations. They need to define

their desired and slightly organization, identify existing challenges, determine and then develop culture and values which support their goals and when necessary choose suitable solutions for rejection or modification of some common organizational cultures.

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