A Review on Organisational Culture and Customer Satisfaction in Saudi Higher Learning Institutions

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The crucial nature of higher learning institutions in all facets of the contemporary world requires that it has to be constantly studied to improve services in the sector for better customer satisfaction. The concept of organisational culture is about the forces that define and shape organisations. Higher learning institutions are like organisations in other aspects of human society that have their own culture, whether good or bad. Despite a plethora of works on organisational culture in higher learning institutions, the concept of organisational culture is yet to replicate such presence in the context of Saudi higher learning institutions, especially, its relationship with customer satisfaction. At higher learning institutions, the concept of culture is used to explain the effectiveness of higher learning institutions. The objective of this paper is to look into the works done on organisational culture and customer satisfaction as they play a major role in higher learning institutions. It is highly important, due to the increasing scholarly interests in the organisational culture, in determining the effectiveness or otherwise of a higher learning institution. Various models of organisational culture have been developed by a number of scholars interested in the area of organisational culture. Thus, this paper is also to review these various models and how they have been applied in studying higher learning institutions and whether or not the concept of organisational culture has been applied in explaining higher learning institutions in Saudi Arabia. The conclusion drawn at the end of the paper is that despite the continuous and increasing attention given to the concept of organisational culture in relation to higher learning institutions, the concept has not been yet applied in studying higher learning institutions in Saudi Arabia.

Keywords:
Organisational culture, customer satisfaction, higher learning institutions, Saudi Arabia

1. Introduction

The concept of organisational culture has been a major theme in the study of higher learning institutions for some decades now. The reason for the recent investigation is perhaps due to the

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increasing competitions at the higher learning institutions and the desire to improve the sector for better customer satisfaction. The concept of organisational culture is about the forces that define and shape the organisation and is used to explain the effectiveness of higher learning institutions [1]. It is identified as an important element that influences organisational success and fortune [2]. Today, the more a higher learning institution adapts to changes, embraces better practices and deal with competitions, the more customers tend to select that institution [3]. This obvious and central role culture plays in raising the stake of higher learning institutions is what attracts a plethora of researches from scholars within the realm of education generally, and higher learning institutions, in particular.

The concept of organisational culture began to emerge and gained prominence within the realm of social sciences in the early 1960s [1]. Some of the early works in the area of higher education were the works of Clark [4, 5] in which he discussed and analysed the culture of loyalty and saga in three colleges namely, Antioch, Reed and Swarthmore.

2. Organisational Culture: A General Perspective

The concept of organisational culture has various definitions proposed by scholars and researchers. However, the definition adopted here is Harrison and Stokes [6] who defined organisational culture as the "distinctive constellation of beliefs, values, work styles, and relationships that distinguish one organisation from another". Initially, the term Organisational Culture has its distal roots in the studies such as anthropology and sociology studies [7]. However, it has been referred to the group of individuals within the organisation [8]. Others like Fiol [9] have said that the core understanding of organisational culture has come from the belief that converting raw materials to finished products is indeed the outcome of organisational culture. It is noticed that social problems and hurdles are covered by organisational culture whether deliberately or otherwise [10].

Organisational Culture has been studied from different perspectives. For instance, according to the resource-based view, organisational culture has been dubbed as an exceptional and key ability which brings to the organisation a competitive advantage [11-15]. Therefore, according to the contingency theory – a theory that claims that internal and external situations determine the way organisations are organized, led and decisions are made -, Organisational culture is an effective tool for leaders to use for forming their planned strategies [16,17].

It has been said that the lack of understanding of the role of organisational culture within organisations is one of the reasons behind the hurdles and challenges these organisations face nowadays in the ever-changing work environments [18]. However, organisations must understand the existing cultural values in order to re-consider the applicability of any quality practices [19]. It has been observed that cultural values influence the way people act and behave and this argument led to the fact that organisational culture is an important element to be studied within organisations [20].

Organisational culture in the organisation’s success rests on the perception of culture itself either as a historically-based, changed resistant embedded in a deep social system which underpins all organisational strategy and action, or as just an aspect of the total organisational system that can be manipulated and influenced through the surface structures such as rewards. Any of the two adopted determines how an organisation manages its culture as well as the focus of cultural change, development or maintenance activities, which means whether the change should involve the whole organisation or just a segment of it. There are six key issues managers need to adapt in influencing or shaping the culture of their organisations – that is: 1. Creating a climate for change, 2. Managers have to act as champions of their organisation’s culture, 3. Employee engagement and

Several studies have been carried out on culture, theory and application, making it a variable in relation to various other variables such as marketing, service quality, quality management, customer satisfaction, leadership, job satisfaction and so on. For instance, in developing theoretical approach in studying organisational culture in marketing, Deshpande and Webster Jr [22] argued that scholars of the area of marketing had to quickly develop theoretical and methodological approach that would help them study organisational culture in relation to marketing. This is because organisational culture is an important factor that determines the marketing approach of an organisation and/ or company. An important aspect of organisational culture is factors that affect it and cause its change. Using a case study of a furniture manufacturing company, it has been argued by Kulvinskienė and Šeimienė [23] that the theoretical attitudes towards organisational culture change. Through various survey techniques, the study found that the organisational culture change during the period 2006-2008 can be best described as the movement from the “hierarchy” type towards “adhocracy” type. Two factors led to this change of organisational culture: one, were outside persons incorporated in the organisation and, two, the adoption and installation of new technology by the company. Furthermore, a number of factors have been identified as the key elements of organisational culture. These include values; programme purpose environment; rites and rituals; heroes; communication networks; norms; stories, myths and legends; organisational climate [24]. Other elements such as the symbols, the rituals and the ceremonies, the status and the role of the personnel and the histories and organisational myths have also been identified as elements of organisational culture [25].

Another variable studied in relation to organisational culture is a competitive advantage. The attention has been given to this aspect by considering the Schein’s five primary mechanisms that can serve as a model for leaders in creating a culture that supports moral and ethical behavior on the one hand and in creating competitive advantage on the other. These five mechanisms are 1. What leaders pay attention to, measure and try to control on a regular basis, 2. How leaders react to critical incidents and organisational crises, 3. How leader distributes resources, reward and status, 4. Deliberate role modeling, teaching and coaching; and, 5. How leaders recruit, select, promote and excommunicate [26].

Sułkowski [27] also extracted a number of organisational culture elements from early works of scholars. Among the elements he found commonly mentioned by the early works are cultural values; basic assumptions; social and organisational norms; ways to communicate, stories, narratives, myths and metaphors; organisational stereotypes; rituals; symbols; customs; organisational heroes; taboo; cultural patterns; cultural artifacts; and subculture.

Organisational culture determines to a great extent the leadership style and behavior in terms of managing organisations as well as the job satisfaction of the administrator and other employees. In fact organisational culture and leadership are two sides of the same coin [28]. There is a need for one to understand the other as cultural norms determine and define the way a particular nation, organisation or group will define leadership. On the other hand, one of the most important things leaders do is creating and managing culture [28]. In fact, one of the ways to differentiate leadership and management is that the former creates and changes culture, whereas the latter act within an already set culture. Therefore, the point at which culture and leadership became conceptually intertwined is when a group’s survival is threatened due to an element of its culture being tempered with, and it is the responsibility of the group’s leadership at all levels to recognize and take action about on the situation [28].

In several organisations the administrators usually adjust their behavior in their quest to accomplish the mission of their organisations which could influence the job satisfaction of
employees. In a study of hospital nurses in Taiwan, the data of which was obtained by distributing 300 questionnaires, it is found that organisational cultures were significantly (positively) correlated with leadership behavior and job satisfaction. This implies that culture of an organisation is very important in determining whether a particular organisation is a happy and healthy to work in because the acceptance and acknowledgement of employees regarding the ethos of organisation influence their work attitude behaviour [29].

Various forms of perspectives in relation to organisational culture in higher learning institutions have been listed along with a number of models from various scholars. Some of these perspectives are: the integral perspective, the competing values framework, the Schein's three levels of culture, the differentiation perspective, the subcultures perspective and the fragmentation perspective. The competing values framework which is one of the most comprehensive models employed, which posits that an organisation can be one of four types: a clan, market, adhocracy or hierarchy as shown in Figure 1 below. The clan culture emphasizes on shared values, goals, participation and a sense of family. The market culture puts emphasis on competition, environmental interaction and customer orientation. For the hierarchy it is more about rules and regulations. The last, the adhocracy is about entrepreneurship, creativity and adaptability [30].

![Fig. 1. Competing Values Model of Organisational Culture. Adopted from Smerek [30]](image)

<table>
<thead>
<tr>
<th>Environment:</th>
<th>How does the organization define its environment?</th>
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<tbody>
<tr>
<td></td>
<td>What is the attitude toward the environment?</td>
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<td></td>
<td>(Hostility? Friendship?)</td>
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<table>
<thead>
<tr>
<th>Mission:</th>
<th>How is it defined?</th>
</tr>
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<tr>
<td></td>
<td>How is it articulated?</td>
</tr>
<tr>
<td></td>
<td>Is it used as a basis for decisions?</td>
</tr>
<tr>
<td></td>
<td>How much agreement is there?</td>
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| Socialization: | How do new members become socialized? |
|                | How is it articulated?                   |
|                | What do we need to know to survive/excel in this organization? |

<table>
<thead>
<tr>
<th>Information:</th>
<th>What constitutes information?</th>
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<tr>
<td></td>
<td>Who has it?</td>
</tr>
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<td></td>
<td>How is it disseminated?</td>
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</tbody>
</table>

| Strategy:     | How are decisions arrived at? |

**Table 1**

A Framework of Organizational Culture
3. Concept and Definition of Organisational Culture

Organisational culture has been defined by Schein [32] as “a set of norms and traditions through which elements are developed to deal with the external and internal problems”. He further noted that organisational culture is “a pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems” [33]. By learning organisational culture and utilising it, people are able to observe, distinguish and feel when dealing with problems [32,17].

As stated above, the definition of organisational culture applies to all forms of organisation, from the basic family, social clubs to work groups, companies, government and nations. What constitute organisational culture is a shared understanding of the organisation’s mission, and values that guide decision-making and activity at all level of the organisation, the focus and management style of senior officers, employees thought about their relationship with management, one-another, partner organisations and clients, the way the organisation conducts its day-to-day business and so on [33]. One of the simplest and most encompassing definitions of organisational culture in the context of higher learning institutions is that organisational culture is the set of attitudes, beliefs, and values that integrates a specific group of academics [1,34].

4. Organisational Culture at Higher Learning Institutions

Organisational culture is reflected in the shared values and beliefs of its members, and it is manifested in the ends sought by the organisation, and the means used to achieve them, such as firm’s structure [34-37]. On the other hand, a university culture has been defined as the collective personality of a university, college or other organisation. It has also been described as the atmosphere that is created by the social and professional interactions of the individuals at the university. Culture also serves a crucial role in determining “what the institutions are and what it might become” [34,38]. In the higher education literature, the CVM has attracted research interest. Cameron [39] have surveyed and compared 334 higher learning institutions, investigating the relationship between organisational culture and effectiveness. Their empirical results proved that the type of culture is a significant factor in determining organisational effectiveness. Different culture archetypes are found to be associated with different aspects of organisational effectiveness [40]. Several implications serve to underline the paramount importance of university culture in the university setting, and the most important of them is that culture is intricately tied with quality.

Organisational culture is also very much related to internationalisation of higher learning institutions. Various studies have found a strong link between the two variables, organisational culture and internationalisation. In a review conducted by Nussbaumer [41], he found out that understanding the impact of organisational culture on institutional internationalisation increases leadership effectiveness and offers a means to assess institutional readiness for internationalisation. For the leadership of an organisation to change its culture, there are some components identified as a change cycle, which include external enabling conditions, internal permitting conditions,
precipitating pressures, triggering events, cultural visioning, culture change strategy, culture change action plans, implementation of interventions, and reformulation of culture [42].

Often culture determines what to expect from an organisation. When an organisation values innovation, the organisational culture has to be one which orients the staff of the organisation towards that. Such values, behaviours and organisational climate are people-oriented determinants that lead an organisation towards innovation. The problem an organisation faces in creating such culture is the lack of a single universal model of organisational culture. However, despite the lack of a single universal model, there some specified elements of organisational culture found frequently in organisations with a success story [43]. These are:

- Management style that emphasizes on tasks and interpersonal relationship.
- A significant role play by those managing the organisation that helps to stimulate innovation and, by extension, trigger the innovation of employees.
- Motivating employees for creativity.
- Confidence and low level sense of danger from the employees in relation to changes implemented by the organisation.
- Conducive working environment and proper organisation of work planned to stimulate creative thinking in employees.
- Support of the organisation for new concepts and ideas.
- Allowing employees to express their views freely in proposing and supporting new ideas as well as cooperation of different units of the organisation.

On a conceptual level, the study has been conducted and reviewed that the earlier scholars' works on culture is a good start. From the literature, it has been argued that there are two types of university cultures: college culture advocates and disciplinary culture advocates. Both groups overlooked the likelihood of the influence of other variables, such as social and industry-related factors, and assumed culture as both dependent and independent variables. It also has been argued that the studies can only be regarded as a first step in figuring out the complex influence of external sources of organisational culture. The study has concluded by adapting of Clark's conceptualisation with regard to external sources that steer academics in which it has been argued that academic culture is influenced by the following factors: the discipline, the employing university, the national context and the academic profession in general [1].

Another conceptual study has explored what is entailed in an institutional culture and its effects on institutional performance. The study concluded that there are three factors that contribute to the building of a strong culture namely, a founder or an influential leader who set some values, a sincere desire to conduct the business of the organisation according to these of values and genuine concern for the well-being of the stakeholders of the institution [44].

The concept of organisational culture has been explored at the Ege University in order to develop an effective management strategy. The study employed Competing Values framework, which assesses organisational culture based on four types (clan, hierarchy, adhocracy and market), to identify the organisational culture displayed by Ege University. The study revealed that the hierarchy culture is more dominant at the Ege University whereas the strategic objectives of the university lean more towards the adhocracy, clan and to some extent market culture types [2].

While organisational culture has been employed as a single variable, it has also been studied together with organisational structure in relation to performance or organisational effectiveness at higher learning institutions. To this end, using a quantitative questionnaire date from 255 respondents, it has been found out that organisational structure and organisational culture are significantly related to the performance of higher learning institutions in Palestine [45]. Likewise, organisational culture is understood to have a positive influence on organisational effectiveness. On
In a comparative note, it has been studied that organisational culture in relation to organisational effectiveness in both private and public universities in Pakistan. Data collected from 700 faculty members working in private and public sector universities have revealed that public universities scored better in terms of adaptive culture and organisational effectiveness than their counterpart private universities which implies that the public universities are more organizationally effective [46].

Similarly, in Lebanon, it has been studied earlier that organisational culture in relation to organisational effectiveness. Although the study has dealt with so many variables that were not relevant to this research, the study has found out, that using McNay’s typology of culture (collegium, bureaucracy, corporation and enterprise), that the combinations of all three factors are found in the universities examined. However, two factors were found to be dominant, bureaucratic and corporate cultures. The study did not make it clear how organisational culture is related to organisational effectiveness [47].

Organisational culture has also been studied in relation to organisational innovation in higher learning institutions and has examined the type of culture that has the greatest impact on organisational innovation in higher education in Libya. Data collected from 390 employees in higher learning institutions in Libya using the Competing Values Model have found that the clan, adhocracy, market and hierarchy culture are significant predictors of organisational innovation type. As illustrated in Table 1, out of all the four culture types, market culture has the greatest impact on technical innovation whereas hierarchy culture has more impact on administrative innovation [48].

<table>
<thead>
<tr>
<th>Table 2</th>
<th>Element of Organisational Culture</th>
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<tbody>
<tr>
<td>Author</td>
<td>Number of elements</td>
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</table>
| Štok [24] | Four (4) | 1. Interpersonal relationships  
| | | 2. Communication structure  
| | | 3. Motivation  
| | | 4. Stimulation |
| | | 2. The behavior norms.  
| | | 3. The rituals and the ceremonies.  
| | | 4. The status and the role of the personnel. |
| Szczepańska-Woszczyna [43] | Seven (7) | 1. Management system emphasizing tasks and interpersonal relationship.  
| | | 2. Supportive managers for innovation.  
| | | 3. Motivating employees to be creative.  
| | | 4. Developing a low level sense of danger by employees.  
| | | 5. Proper organization of work and working conditions.  
| | | 6. Support for new concepts and ideas.  
| | | 7. Develop a platform for employees to express their opinions freely. |
| Sułkowski [27] | Thirteen (13) | 1. Cultural values,  
| | | 2. Basic assumptions,  
| | | 3. Social and organizational norms,  
| | | 4. Ways to communicate, stories, narratives, myths and metaphors,  
| | | 5. Organizational stereotypes,  
| | | 6. Rituals,  
| | | 7. Symbols  
| | | 8. Customs,  
| | | 9. Organizational heroes,  
| | | 10. Taboo,  
| | | 11. Cultural patterns, |
5. Organisational Culture and Customer Satisfaction

Without customers, business organisations cannot survive. This compels organisations to seek their customers’ attention and work hard to meet their expectations. For organisations to succeed in getting their customers’ attentions which will lead to their survival, organisations must have a supportive culture and set the organisation’s cultures in becoming customer-oriented. Givarian, Samani [49] conducted a research using a simple random sampling technique of 322 customers of Post Company the result of which indicate a strong influence of organisational culture on customers’ satisfaction. The result of the study’s analysis shows that using the four features of organisational culture identified by Schein [28] (partnership, compatibility, adaptability and mission), showed involvement (team work) has the highest percentage (28 percent) in leading to customer satisfaction, followed by compatibility (27 percent), mission (23 percent) and adaptability (22 percent).

There are certain forms of organisational culture that predict customer satisfaction. In one study conducted on the public health sector of Kersa Malima Woreda, it has been found out that customer satisfaction are predicted by higher level of reliability, tangibility, team orientation, responsiveness, customer orientation and stability of organisation. On the other hand, employee satisfaction is predicted by higher level of stability, outcome orientation, and innovation and risk taking. The study concluded that 67% of the variability in customer satisfaction can be explained by the variables highlighted above in relation to customer satisfaction [50].

On another study conducted on two different companies (a residential building company and automobile dealership) from different industries using the Denison Organisational Culture Survey (DOCS) which use a combination of qualitative and quantitative investigations to measure organisational culture, four dimensions were identified as related to organisational effectiveness (involvement, consistency, adaptability and mission). It was found that the culture measures have a significant relation to customer satisfaction as it explains 28 percent of the variance for the home building markets and 11-28 percent of the variance for the automobile dealerships. The study concludes that organisational culture is the key in leading to a long term organisational effectiveness and that may manifest itself in various aspects of the organisation including customer satisfaction [51].

Another study that uses the four dimensions of The DOCS also found that there is a significant correlation between organisational culture and customer satisfaction. The research studied the banking sector, Mellat Bank, in which it found out that 83.34 percent of the bank customers are influenced by the organisational culture of the bank. Among the four dimensions of organisational culture measured, it is revealed that consistency feature had the highest score [52].

Both culture and service qualities of organisations are imperative in relation to customer satisfaction. Firstly, organisations need to understand the attitude of the different customers they dealing with and what they value as quality. This implies that the culture of an organisation has to be shaped in such a way that it suits the sort of customers it is dealing with. For instance, when it comes to customer satisfaction and service quality, there is a significant difference in the way American, Chinese and Japanese people perceive these services. On a study conducted on a hotel customers’ satisfaction and perception of service quality, it is shown that when it comes to cultural issues, the United States prefer power distance to be small, whereas their Chinese and Japanese counterparts prefer large power distance. In addition, when it comes to collectivism/individualism, Americans are very individualistic but the Asians (Chinese and Japanese) are collectivists.
Likewise, in terms of communication style, both Asians prefer High Contextual communication style whereas the American prefers low-contextual form. Two more variables also show some variance between Americans and the Asians which are uncertainty avoidance and long/short-term orientation. In the former, the Americans and Chinese have low uncertainty avoidance, but the Japanese have high. In the case of the later, the Americans are short-term oriented whereas the Asians are opposite [53].

Another aspect of culture organisations needs to keep in mind is the difference in perception among different groups of people. For instance, it is found that there are differences in the perception of satisfaction of services between various groups of customers. In the same case study of the previous paragraph, the Americans are found to value the following variables in this order: customization of services, reliability, ambience of hotel, friendliness of employees, ability to efficiently provide for customer needs, timeliness of employees and offering appropriate services. In the contrary, the Chinese preferences are in this order: cleanliness of the hotel rooms, employee’s attentiveness to customers’ needs, the quality of food and beverages, comfortable bed and pillows, good communication ability of employees, location of hotels and the ability to solve problems efficiently and promptly. By contrast, the Japanese take them in this order: quick and efficient problem solving skills, ability to efficiently provide customers’ needs, prompt service, cleanliness of rooms, appealing employee attire, employee politeness and the ability to communicate with customers [53].

6. Organisational Culture in Saudi Higher Learning Institutions

Despite its wide application in the context of higher education and higher learning institutions, there are not many extant works in the context of Saudi higher learning institutions. Several factors have been identified that influence learning, particularly e-learning, in Saudi context. It is found that cultural factors such as individualism versus collectivism (which is the degree to which people in a country prefer to act as individuals rather than as members of a group) and uncertainty avoidance were found to have significant influence on a student’s perception of education. They study has found out that Saudi culture has a high power distance dimension, is a collectivist culture, is a masculine society and high uncertainty avoidance. These cultural underpinnings of the Saudi society are significant in dealing with culture in higher education within the context of Saudi Arabia [54].

Although there are a few studies that look at culture and organisational culture in Saudi Arabian context of higher education, culture is found to significantly affect other factors in higher learning institutions of Saudi Arabia. For example, in relation to faculty perspectives on motivation in Saudi Arabian higher learning institutions, culture along series of other factors are found to significantly affect higher institutions’ faculty perspective of motivation [55].

7. Conclusion

This paper has presented extensively the concept of organisational culture in higher learning institutions. The paper has been organised in seven major parts. After the introduction, the concept of organisational culture has been defined broadly and within the concept of higher learning institutions. This was followed by a brief discussion on the general application of the concept of organisational culture. The next part dwelt on the application of the concept in the context of higher learning institutions followed by another discussion on the interwoven relationship between the concepts of organisational culture on the one hand and other concepts such as customer satisfaction on the other hand. The paper then rounded up the discussion with organisational culture in Saudi higher learning institutions.
Thus, from all the topics discussed, it is obvious that the concept of organisational culture, in general, is not quite new within the realm of social sciences and higher learning institutions. However, despite a plethoric presence of scholarly works on organisational culture in higher learning institutions, the concept of organisational culture is yet to replicate such presence in the context of Saudi higher learning institutions, especially, its relationship with customer satisfaction. Therefore, this is a research gap within the extant literature that researchers interested in the area can exploit.

References


