Identity as a manifestation of organisational culture

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Abstract:
Conducive organisational culture has been identified as an essential organisational stabiliser and growth driver. Organisational culture represents the assumptions, beliefs and norms of an organisation shared by members of the organisation. However, cultural values of an organisation are difficult to be examined. Organisational scholars conceived that organisational culture can be expressed in a number of ways described as manifestations. Identity is one of the informing artifacts. This paper examines the notion of identity in the context of organisational culture. How identity affects the propensity to leave the organisation is illustrated by a study with quantity surveyors.

Keywords:
Organisational culture, identity, performance, propensity to leave.

1 Introduction

Organisational culture (OC) has been used to explain why some companies are more successful than others (Cameron and Quinn, 1999). OC has a strong relationship with individual and organisational performance. It accounts for the existence of inter-group comparison, competition and productivity of an organisation (Schein, 1992). In these regards, OC is believed to be able to define appropriate behaviour as well as motivating individuals. For example, OC governs the way an organisation processes information (Maloney and Federle, 1991). Sexton and Barrett (2003) also found that OC had guided diversifications by integrating new technologies or other strategies to achieve organisational success.

Organisational scholars advocated that individual and organisational working are the symbolization of organisational values. It is a fact that construction professionals have to work together in a construction project despite cultural difference of the organisations they belong to. It is not uncommon to note that divergence in OC has led to conflict within project coalitions. Empirical studies of OC in construction industry have been carried out in different geographical locations such as China, United Kingdom, Turkey and Singapore. The findings suggested that better understanding of OC could greatly improve organisational performance and effectiveness. Furthermore, Ankrah and Langford (2005) found that there is a marked cultural difference between consultants
and contractors and highlighted the importance of studying OC in project-based industries.

According to the recent surveys conducted by the Hong Kong Institute of Human Resources Management (HKIHRM), the overall turnover rate in the construction sector has dramatically increased from 11.26% at 2006 to 20.46% at 2008. Employees in construction appear to leave their organisations quite readily. In this connection, the factors affecting employees’ propensity to leave have attracted increasing interest in the Hong Kong construction community.

Other than economic factors, the propensity to leave is directly related to the psychological stress of employee, sense of self and organisational culture. Based on these theoretical anchors, this paper aims to illustrate the notion of identity in the context of organisational culture and articulate a framework for analysing the leave propensity of quantity surveyors.

2 Literature review

2.1 The concept of organisational culture

The concept of culture is difficult to be expressed explicitly; instead, it can be sensed, felt and perceived. Culture is embedded in groups; hence each group must always be clearly identified due to the unique basic assumptions. Understanding culture is equal to the understanding of basic assumptions and values.

Desphande and Webster (1989) defined OC as “the pattern of shared values and beliefs that help individuals understand organisational functioning and thus provide them with norms for behaviours in the organisation”. Furthermore, Schein (1992) considered OC as “a pattern of shared basic assumptions that the group learned 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”.

Schein (1992) proposed a three-level organisational culture model; 1) artifacts, 2) values and 3) basic assumptions. This model has widely been adopted and applied in OC studies (Hatch, 1993). Hatch (1993) further developed Schein’s ideas (1992) and constructed a Cultural Dynamics Model as shown in Figure 1. Hatch (1993) described that culture is constituted by manifestation, realization, symbolization, and interpretation processes which can start from any element clock-wisely and anti clock-wisely. The model presents the relationship between basic assumptions, values, artifacts and symbols (i.e. organisational image). From Hatch’s perception (1993), identity can be examined from the manifestation process between values and assumptions of an organisation. The degree of identity stands for the understanding and adaptation of organisational values and assumptions.
2.2 Measuring organisational culture

Conflicts among organisational members have been identified as one of the principal causes of poor performance of construction organisations. Conflict is the result of disagreements or inconsistencies among intra-groups or inter-groups members (Jehn, 1995). For reducing conflict and improving performance in an organisation, it is important to identify the areas of difference between perceived and preferred OC of organisation members. Majority of studies on OC in construction mostly adopt Cameron and Quinn’s (1999) Organisational Culture Assessment Instrument (OCAI) to examine the cultural profile (Zhang and Liu, 2006). Ankrah and Langford (2005) however selected 16 cultural dimensions based on the specific cultural attributes and orientations of the project participants to identify the cultural variability between organisations in project coalition. More recently, Cheung et al. (2010) proposed an organisational culture framework by using artifacts to identify OC in construction.

OC guides individual behaviour in conformance to those acceptable to the organisation. Harassing OC assists mangers to devise organisational systems for organisational effectiveness. Measuring OC helps gauging the adherence or otherwise to norms expected.

2.3 The concept of organisational identity

Organisation is structured by groups, groups’ norms and categorizes of groups can be described in details by social identity theory. Individual tends to classify himself into social categories or groups. To verify the degrees of individual’s identity and sense of self from the organisation, it should pay attention to the performance implications or artifacts which are represented in the individual’s mind as social identity.
The idea of identity is proposed by Mead (1934) who suggested that “identity arises in the process of social experience and activity, that is, develops in the given individual as a result of his relations to that process as a whole and to other individuals within the process”. Albert and Whetten (1985) thus proposed three definitions of identity: 1) central character, 2) distinctiveness and 3) temporal continuity.

2.3.1 Social identity and self-categorization theory

Social identity approach is an integrated theoretical perspective on the relationship between self-concept and group behaviour. Tajfel (1972) first introduced the idea of social identity theory by addressing how individuals conceptualize themselves in intergroup contexts. He defined social identity as “the individual’s knowledge that he belongs to certain social group together with some emotional and value significance to him of his group membership” (Tajfel, 1972). A basic human need, self-esteem, motivates social identification and individual’s behaviour. Thus, Crocker and Luhtanen (1990) have developed a self-esteem scale as a measure of social identity. The process for the formulation of identity is named as self-categorization in social identity theory (Tajfel, 1972).

On the other hand, Turner (1985) stated that self-categorization theory as the cognitive dimension of social identity theory. Social categorization of self cognitively assimilates self to the ingroup prototype and thus depersonalizes self-concept. Hogg (2001) further described self categorization in terms of the antecedence and consequence of social categorization of self and others. Individuals thus would have similar prototypes among people in the same group (i.e. ingroup prototypes) and different prototypes between people from different groups (i.e. outgroup prototypes). Self categorization transforms self-conception and individual’s attitudes, feelings and behaviour to ingroup prototypes.

The basic social cognitive elements from the process of self-categorization cause people to identify with group, to utilize themselves and others in group term and manifest group behaviours. Self-categorization in the context of organisation heavily influences group polarization and group cohesiveness which instantly affect the stability of workforce, organisational effectiveness, individual and organisational performance.

2.3.2 Identity in the context of organisation

Self-conception influenced by organisational processes is considered as organisational identification. Organisational identification represents the sense of belonging or a form of employee attachment to organisation. In this connection, Albert and Whetten (1985) concluded that “organisational identity is formed by a process of ordered inter-organisational comparisons and reflections upon them over time”. Organisational identification refers to the psychological linkage between an individual and the organisation by self-defining the affective and cognitive bond with the organisation (Edwards, 2005). Mael and Ashforth (1992) also advocated organisational identification as individual identification in terms of their membership in a particular organisation. While recognizing organisational identification from a cognitive perspective, organisational researchers tend to focus on the sharing of values and goals between an individual and the organisation (Ashforth and Mael, 1989) and the sharing of key characteristics of the organisation (Dutton et al., 1994), which intimately relate to the concept of OC.
The performances of employees are influenced by the degree of identification they attach with the organisation. Employees who identify themselves with the organisation are likely to be more motivated to work and achieve the organisational goals (Ashforth and Mael, 1989; Dutton et al., 1994). Ashforth and Mael (1989) found that organisational identification creates a cohesive work atmosphere, increases the levels of cooperation and satisfies human needs, such as belonging and self-esteem.

2.4 Linking organisational culture to identity

Generalising Mead’s identity theory (1934), the meaning of ‘I’ and ‘me’ are simultaneously distinguishable and interdependent. The ‘I’ is “something that is not given in the ‘me’”; whereas the ‘me’ is the self a person is aware of. Jenkins (1996) further articulated Mead’s idea (1934) by synthesising identity from the internal (i.e. organisational culture) and external (i.e. organisational image) definitions of the organisation to explain the creation, sustainability and change of organisational identity. The concept of ‘I’ and ‘me’ within the processes of the Organisational Identity Dynamics Model (Hatch and Schultz, 2002) is presented as Figure 2.

![Organisational Identity Dynamics Model](image)

Figure 2. Organisational Identity Dynamics Model
(Source: Hatch and Schultz, 2002)

Culture and identity are closely connected because identity formulates a mindset that governs ways of doing things. Fiol et al. (1998) considered that ‘an organisation’s identity is the aspect of culturally embedded sense-making that is organisationally self-focused’. Hatch (1993) has a similar argument and addressed that OC provides context for forming organisational identities. He also explained that identity involves how individuals define and experience themselves which is influenced by their activities and beliefs interpreted from cultural assumptions and values. Therefore, organisational members’ behaviour reflects their identity with reference to cultural understandings.

Hatch and Schultz (2002) further elaborated the relationship between culture and identity and mentioned that organisational identity needs to be theorized in relation to both organisational culture and organisational image. They thus proposed an Organisational Identity Dynamics Model which links identity, culture and image.
together by mirroring (identity mirrors the images of others), reflecting (reflecting embeds identity in culture), expressing (identity expressed cultural understandings) and impressing (expressed identity leaves impressions on others) (Hatch and Schultz, 2002). This helps to explain how organisational identity is created, maintained and changed because identity is the immediate result of conversion between cultural self-expressions and mirrored organisational images.

3 Hypotheses development

3.1 Performance implication

Recent studies on OC in construction industry indicated that various participants (e.g. architects and contractors) bring different ways of thinking, attitudes and work practices. These incompatibilities hinder information sharing, control and coordination. In reality, it may not just affect the performance of project team members. For those who cannot sustain the psychological stress and affirm their sense of belonging, their propensity to leave the organisation increases.

Specific social identity is the salient self-regulation basis in a particular context. Ashforth et al. (2008) formulated identification from the core attributes of identification to the behaviours of identity. Behaviour is thus associated with identity. The levels of identification are directly associated with individuals’ attitude, behaviour and thinking. From the aforementioned notions of organisational culture and organisational identity, employees decide to leave their organisations because of the lack of sense of belonging. To face with the high turnover in Hong Kong construction industry, an appropriate mean to comprehend employee’s behaviour or propensity to leave is to identify the consequences of organisational identification from a review of the studies on organisational studies.

A hypothetical model of performance implication from organisational culture and organisational identity is shown in Figure 3. From organisational studies, the main reasons for employee choosing to leave are lack of organisational commitment and role stress. Organisational commitment is identified as employee’s feeling of obligation to stay with the organisation (Allen and Meyer, 1990), whereas role stress represents role conflict and role ambiguity of an individual who is having incompatible and unclear expectations of his role in the organisation (Rizzo et al., 1970). In this connection, lower level of commitment and perceived high role stress would increase the propensity to leave.
3.2 Organisational identification versus organisational commitment

According to Tompkins and Cheney (1983), organisational identification occurs ‘when, in making a decision, the person in one or more of his or her organisational roles perceives that unit’s values or interests as relevant in evaluating the alternatives of choice’. Gautam et al. (2004) proved that organisational identification is correlated to organisational commitment which represents individuals’ acceptance of the organisation’s set of values and objectives and reflects the willingness of an individual keep working within the organisation. Thus organisational commitment has positive effect on job satisfaction (Cohen, 1993), motivation (Mathieu and Zajac, 1990) and job performance (Mowday et al., 1979). Organisational commitment is especially important to professional organisations; Lui et al. (2001) found that accountants would have lower leaving intention under higher level of organisational commitment. Accordingly, the organisational commitment of quantity surveyors firms is examined at hypothesis 1.

H1: Quantity surveyors’ organisational identification is positively associated with their organisational commitment

3.3 Organisational identification versus role stress

3.3.1 Role conflict

Identification literature highlights identification as a process of self-categorization, named as formalization by Hall (1972). To integrate individuals’ self-concept with organisational goals and values or organisational characteristics, it generates individuals’ affiliation to the organisation and conformance to the organisational norms. At the same time, the formalization of individual with organisational goals also causes negative effect on an individual, such as alienation or uncomfortable feeling; it may increase individuals’ role conflict.
3.3.2 **Role ambiguity**

Employees may have role ambiguity when they have difficulty to be formalized with the organisation. Role ambiguity which refers to the discrepancies between the job-related information available and information needed to perform the job (Kahn et al., 1964). Thus, less formalized organisations with lower level of organisational identification may raise individuals’ role ambiguity in their working organisation.

Therefore, hypothesis 2 and 3 are used to examine the implication of role stress in relation to organisational identification.

- **H2:** Quantity surveyors’ organisational identification is negatively associated with their role conflict.
- **H3:** Quantity surveyors’ organisational identification is negatively associated with their role ambiguity

3.3.3 **Propensity to leave**

The effect of role stress on commitment is an increase in the employees’ propensity to leave. Their perceived enhancements in psychological well-being mitigate their job satisfaction and exhaust their working emotion (Ngo et al., 2005).

3.4 **Organisational commitment versus propensity to leave**

Furthermore, organisational commitment is negatively related to propensity to leave the organisation of an employee (Boshoff and Mels, 2000). The affective organisational commitment is likely to reduce the employees’ intention for leaving the organisation, which is going to be examined by hypothesis 4.

- **H4:** Quantity surveyors’ organisational commitment is negatively associated with their propensity to leave their working organisation

3.5 **Role stress versus propensity to leave**

A stressful employee is more likely to quit his or her job. When an employee is having conflicts with organisational norms and values, or perceiving ambiguous during their works, it will lead to depression, lower job involvement and result in psychological withdrawal from the work group (Brief and Aldag, 1976). These implications of role conflict and role ambiguity are examined by hypothesis 5 and 6.

- **H5:** Quantity surveyors’ role conflict is positively associated with their propensity to leave the working organisation
- **H6:** Quantity surveyors’ role ambiguity is positively associated with their propensity to leave the working organisation
4 Method

4.1 Sample
Data were obtained from a questionnaire survey with 216 quantity surveyors in Hong Kong. A total of 66 responses were returned, representing a response rate of 30.56%. 56% of the respondents are male and 44% are female. Nearly 90% are working in quantity surveying consultancy firms. Close to 83% are below 29 years old and approximate 64% have less than 3 years working experience. 35% of the respondents have changed their employing organisations previously.

4.2 Measures
Respondents expressed their subjective opinions against the questionnaire statements on a seven-point Likert-type scale (1 = ‘strongly disagree’, 7 = ‘strongly agree’). Organisational identification was measured by a five-item scale developed by Mael and Ashforth (1992). Organisational commitment was measured using a five-item scale adapted from Porter et al. (1974). The eight-item role conflict developed by Rizzo et al. (1970) was used; meanwhile, Rizzo et al.’s (1970) six-item role ambiguity scale was adapted for use in this study also. Propensity to leave the working organisation within the next few years was measured.

4.3 Analysis
Descriptive analyses summarise the attributes of the sample. The reliability of the measures was assessed by the correlation among the variables. Confirmatory factor analysis was then used to evaluate the reliability and validity of the collected data by using the AMOS programme. Regression analysis was employed to test the hypotheses.

5 Results

5.1 Descriptive and reliability analysis
From the aforementioned hypothetical model, the outcomes of organisational identification illustrate individual’s propensity to leave their working organisations. Table 1 illustrates the descriptive statistics and inter-item correlation of the study’s variables. Seven-point Likert scales give a midpoint scale as 3.5 and a maximum value as 7. The measured variables have a high mean value significantly greater than the midpoint scale. Role ambiguity gets the highest mean value (mean = 4.84); meanwhile, role conflict (mean = 3.94) is quite low from the perspectives of quantity surveyors. Regarding to the outcome, propensity to leave (mean = 4.32) is relatively significant in quantity surveying organisations. From the descriptive analysis, it is highlighted that the importance of organisational commitment and elimination of role ambiguity.

Organisational identification and role ambiguity have strong positive correlation of correlation coefficient of 0.598 (ρ <0.01). Similarly, organisational commitment proved that positively correlated with organisational identification. Organisational identification is not significantly correlated with role conflict. However, it is noted that role conflict is positively associated with role ambiguity (r = 0.515, ρ <0.01). In case of turnover,
employees’ leave propensity is positively correlated to role ambiguity ($r = 0.371$, $\rho < 0.01$) and negatively related to organisational commitment ($r = -0.370$, $\rho < 0.01$). The reliability is determined by the value of Cronbach’s Alpha with threshold value of 0.70 to 1.00 (Nunnely, 1978). The Cronbach’s Alpha for the hypothesised model is 0.823 that achieves the criteria threshold.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>S.D.</th>
<th>OI</th>
<th>RC</th>
<th>RA</th>
<th>OC</th>
<th>LO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational identification (OI)</td>
<td>4.64</td>
<td>1.14</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisational commitment (OC)</td>
<td>4.57</td>
<td>0.99</td>
<td>0.586**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Role conflict (RC)</td>
<td>3.94</td>
<td>1.38</td>
<td>-0.055</td>
<td>0.021</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Role ambiguity (RA)</td>
<td>4.84</td>
<td>1.10</td>
<td>0.598**</td>
<td>0.515**</td>
<td>-0.149</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Propensity to leave the organization (LO)</td>
<td>4.32</td>
<td>1.62</td>
<td>-0.054</td>
<td>-0.178</td>
<td>0.371**</td>
<td>-0.370**</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: N=66, * $\rho < 0.05$; ** $\rho < 0.01$

### 5.2 Confirmatory factor analysis

Confirmatory factor analysis is used to study the relationships between the dependent observed variables and continuous latent variables, where dependent observed variables are referred to as factor and continuous latent variables are referred to as factors. According to the confirmatory factor analysis, the initial model did not have an acceptable fit; modification indices were applied to improve the model. Table 2 provides the fit indices of the confirmatory factor analysis for the hypothesised model.

According to Browne and Cudeck (1993), RMSEA value ranging between 0.05 and 0.08 represents a reasonable fit. The hypothesised model is considered as an acceptable-fitting model which obtains threshold acceptable fit indices except GFI and AGFI. The model is not easy to achieve an acceptable GFI and AGFI because of the implication of sample size (Sharma, 1996).

### 5.3 Regression analysis

Regression is used to analyse the relationship between the dependent variable and independent variable of the hypothesised model that outlines the effect of organisational identification with association of organisational commitment and role stress. Table 3 shows the regression analysis. Hypothesised consequences for organisational identification are statistically significant. Organisational identification facilitates the generation of organisational commitment in quantity surveying organisations. Quantity surveyors’ sense of belonging to their organisation directly influences their role ambiguity. Hypothesised consequences of role conflict and role ambiguity are
supported. Quantity surveyors are more likely to leave their organisation when they feel stressed. However, role conflict is not significantly related to organisational identification and organisational commitment is not the catalyst stimulating the leaving intention of quantity surveyors. Consequently, organisational identification associated with role ambiguity increases quantity surveyors’ intention to leave.

The small sample size influences the model fit of the hypothesised model by confirmatory factor analysis. Nevertheless, the hypothesized models obtain an acceptable fit with regression. In this study, the results verify that quantity surveyors in Hong Kong have relatively high intimacy with their working organisations. Comparatively low role conflict within the respondents is the main cause inducing employees’ propensity to leave. Besides, it is found that quantity surveyors in Hong Kong are under high role ambiguity, which is the root cause of quantity surveyors choosing to quit.

Table 2. Fit indices from confirmatory factor analysis

<table>
<thead>
<tr>
<th>Fit indices</th>
<th>Before modification</th>
<th>After modification</th>
</tr>
</thead>
<tbody>
<tr>
<td>CMIN/DF (&lt;2.00)</td>
<td>1.811</td>
<td>1.161</td>
</tr>
<tr>
<td>Root mean square error of approximation</td>
<td>0.112</td>
<td>0.050</td>
</tr>
<tr>
<td>RMSEA (0.05-0.08)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodness of fit index, GFI (&gt;0.90)</td>
<td>0.658</td>
<td>0.787</td>
</tr>
<tr>
<td>Adjusted goodness of fit index, AGFI (&gt;0.90)</td>
<td>0.593</td>
<td>0.705</td>
</tr>
<tr>
<td>Comparative fit index, CFI (&gt;0.90)</td>
<td>0.724</td>
<td>0.953</td>
</tr>
<tr>
<td>Incremental fit index, IFI (&gt;0.90)</td>
<td>0.733</td>
<td>0.956</td>
</tr>
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</table>

Table 3. Regression Analysis

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Dependent variable</th>
<th>Unstandardised Coefficients</th>
<th>Standardised Coefficients</th>
<th>t-test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>β</td>
</tr>
<tr>
<td>OI</td>
<td>OC</td>
<td>0.519</td>
<td>0.090</td>
<td>0.586</td>
</tr>
<tr>
<td>OI</td>
<td>RC</td>
<td>-0.064</td>
<td>0.145</td>
<td>-0.055</td>
</tr>
<tr>
<td>OI</td>
<td>RA</td>
<td>0.573</td>
<td>0.096</td>
<td>0.598</td>
</tr>
<tr>
<td>RC</td>
<td>LO</td>
<td>0.608</td>
<td>0.190</td>
<td>0.371</td>
</tr>
<tr>
<td>RA</td>
<td>LO</td>
<td>-0.735</td>
<td>0.231</td>
<td>-0.370</td>
</tr>
<tr>
<td>OC</td>
<td>LO</td>
<td>-0.383</td>
<td>0.264</td>
<td>-0.178</td>
</tr>
</tbody>
</table>

Note: * p<0.05; ** p<0.01; *** p<0.001

6 Conclusion

Understanding OC is fundamental to understand what underpins an organisation’s operation. Organisation culture is also considered as the glue holding individual and organisation together. Cultural profile thus provides a comparative benchmark for an
organisation that governs how people in an organisation behave, what assumptions govern their behaviour and what organisational systems influence the change process.

This paper indicates the relationship between organisational culture and organisational identification. Organisational identification can be distinguished from the manifestations of basic organisational assumptions because organisational assumptions underline values, and individuals infer their assumptions from known values. In this connection, OC gives identity of an organisation, and the sense of belonging so derived is the result of organisational culture and organisational identification.

7 Acknowledgements

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