The alignment of organisational subcultures in a post-merger business school in Hungarian higher education

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Thesis for obtaining a PhD degree

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Abstract
The fragmentary nature of the organizational culture of Higher Educational institutions has been considered for a number of decades (e.g. Becher, 1987), with waves of mergers entertaining the possibility of further fragmentation of organizational cultures. Based upon the findings in the literature review that subcultures are likely to exist in a post-merger Higher Education Institution, a case study approach was taken aiming to identify the subcultures and examine the values and perceptions in relation to market-orientation, alignment with the organization, and the degree to which these subcultures can be said to be truly heterogeneous.

The detection of subcultures is based upon existing methodology (Hofstede, 1999), whereby values given by respondents are gathered through a hierarchical cluster analysis using Ward’s method. Five subcultures were found of varying size and culture type using the Organisational Culture Assessment Instrument (OCAI) (Cameron and Quinn, 1989). These five subcultures were then considered in terms of the homogeneity of values and perceptions shared by members within the subculture and their heterogeneity in respect of the other subcultures using the OCAI and a market-orientation questionnaire (Hemsley-Brown and Oplatka, 2010).

The findings indicate that although a subculture may perceive itself as aligned with the organisation’s values, the reverse may be the case in reality. Conversely, a subculture seeing itself as a counterculture may in fact be aligned to the organisation. Subcultures were found to have a commonality of perceptions of the organisation in the majority of subcultures and some subcultures have the same dominant culture type, but are separated by the strength of their values. Thus, no subculture could be considered entirely heterogeneous. The model for market orientation in higher education splits into three elements: student, competition and cooperation orientations. It was found that the market subculture with an external focus is not necessarily the subculture with the strongest market-orientation in the organisation. In regard to the three elements, the clan subcultures are driven by the cooperation orientation and the hierarchy subcultures by the student (customer orientation), leading to a correspondingly high market-orientation. These findings highlight the peculiarities of the concept of market orientation in higher education and that a multiculturalist approach may suit the needs of the organisation adopting a market-orientation. With two out of three elements found to have an internal focus in this context. The study also provides a methodology for practical use in aligning subcultures (Hopkins et al., 2005) and underlines the need for a ‘subcultural approach’ in a large complex organisation for organisational functions as evidenced by Palthe and Kossek (2002) in the field of Human Resource Management. The study highlights the complexities found in the organisational culture with subcultures exhibiting a combination of misperceptions, extreme dissimilarities on one hand, significant commonalities on the other, as well as the potential to reinforce one another, either to the detriment or benefit of the organisation as a whole.
Kivonat

A szervezeti szubkultúrák összehangolása a magyarországi felsőoktatás egyesülés utáni üzleti iskolájában

Az esettanulmányon alapuló megközelítést a szubkultúrák azonosítására, valamint értékeik, fogadtatásuk és piacorientációjuk vizsgálatához került kiválasztásra. A kutatás öt különböző méretű szubkultúrát tárt fel, amelyeket a közös értékek erőssége különböztetett meg. Az eredmények azt mutatják, egyetlen szubkultúrát sem lehet teljes mértékben heterogénnek tekinteni, illetve egy szubkultúra tévesen azt gondolhatja önmagáról, hogy összhangban van a szervezeti értékekkel. Ezen kívül, a szubkultúrán belüli értékek homogenitása nagyságuk alapján változó. A piacorientáció az együttműködés, a versenyorientáció és a hallgatók orientációjának együtteseként fogható fel. A klán szubkultúráknak magas szintű az együttműködési orientációja, a hierarchián alapuló szubkultúrák nagymértékben hallgatóorientáltak, míg a piai szubkultúrák rendelkeznek a legmagasab versenyorientációval. A tanulmány a szubkultúrák összehangolására alkalmas módszertant is bemutatja, valamint felhívja a figyelmet a nagykiterjedésű, összetett szervezeteken belüli „szubkulturális megközelítés” szükségességére.

Auszug

Die Anpassung von organisatorischen Subkulturen in einer fusionsgefolgten Business School in der ungarischen Hochschulbildung

Note to the reader

Names relating to the institution have been changed to protect the privacy of the organisation used in this case study. Much of the documentation used was in Hungarian and the reader may be interested in reading both the original English and the used Hungarian version, especially as the pilot study indicated that differences in language and understanding were important issues. Therefore, the original Hungarian versions have been included in the appendices and translations of these documents are given for each.
Chapter one: Introduction

1.0 Statement of the problem

One of the inspirations in developing this study was an article from *the Economist*\(^1\) from August 2010 highlighting the challenges facing higher education globally and emphasising the need for change or the dire consequence of many higher education institutions’ (HEIs) closing. Writers have contended for some time that many HEIs have embarked upon a new era of ‘academic capitalism’ (Newman, Couturier and Scurry, 2004). Hungary’s HEIs are no exception to the drives towards this new era with massification, decreased public funding, changes in governance, increased competition and talk of academic capitalism (Barakonyi, 2004).

Enrolling students are becoming referred to as the ‘raw materials’ of universities and two years on, the growing view of higher education institutions as businesses is highlighted in *the Economist* with the focus now on costs, debt management and profit generation in higher education\(^2\). However, there are significant peculiarities when higher education institutions are put in a business context: the product may be seen as the course provided or the qualified graduate; the consumer may be seen as the student or the employer; one cannot help but wonder if too much is being asked if teachers and lecturers with a strong sense of tradition and high autonomy are required to have a market-orientation; and the question arises as to what market-orientation really means in this context.

This study deals with two key aspects of a HEI: the complexity of the organisational culture and the market-orientation of HEIs, more specifically, the market-orientation of an HEI in Hungary. Evidence from studies into organisational culture indicates that cultures of HEIs are complex and rarely homogenous (Martin 2002; Trice 1993; Becher 1987) and there have been studies examining complexity of organisational culture in higher education (Parker 2011; Bailey 2011; Fralinger et al., 2010; Tierney, 1988). There have been studies concerned with market-orientation in Higher Education (Hemsley-Brown and Oplatka, 2010, 2007; Cervera et al. 2001; Gibbs, 2001; Caruana et al., 1998) and studies in Higher Education indicating there is indeed a tendency towards a market-orientation (Hemsley-Brown and Oplatka, 2010; Mitra

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\(^1\) The Economist, (2010). *Foreign University Students: Will they still come?* August 5\(^{th}\) 2010 from the print edition

2009; Häyrinten-Alestatol and Peltola, 2006) and that external pressures are increasing this tendency (Rivera-Camino and Molero Ayala, 2010; Kalpazidou Schmidt and Langberg 2007).

The aim of this study is to identify and examine subcultures in relation to market-orientation with research into the hidden complexities and relationships therein. Kuh and Whitt (1988; 121) pointed out that little empirical research has been undertaken with a focus on faculty and subcultures within HEIs. Yet central to our understanding of organisational behaviour is the issue of drawing up cultural boundaries not only at an organisational level but also on a group level as “it is only by understanding the parts …we can understand the whole” (Becher 1987; 298). In a study by Palthe and Kossek (2002) on the relation between employment modes and subcultures and their impact upon HR strategy, they highlight Van Maanen and Barley’s (1984) declaration that unitary cultures are actually the exception to the rule and that multiple subcultures should be seen as the norm in organisations and not solely on a management level. Most organisational research has paid limited attention to the values and beliefs of lower level employees with the assumption that the management subculture represents a unitary, conformist, organisation-wide culture (Detert et al., 2000; 858).

Once the subcultures have been identified, the task remains as to investigating the nature of the subcultures, especially in relation to the homogeneity and heterogeneity. Cameron and Quinn (1999) the originators of the instrument used in this study (the OCAI), refer to cultural congruence as an aspect of homogeneity in organisational culture, resulting in fewer inner conflicts and contradictions. Cultural congruence may be seen as a stimulant towards change within a monolithic organisation culture, however this study considers cultural congruence from a number of aspects: within subcultures; across subcultures and in relation to the greater organisation.

Finally, this study considers the findings in relation to investigating whether there is an apparent need to align subcultures or not in this organisation. Hopkins, Hopkins and Mallette (2005) highlight this need in organisations as a means of creating competitive advantage, through reducing subculture constraints on corporate core values (Hopkins et al., 2005: 136) and vision.
1.1 Purpose and scope of the study
The study investigates employees’ orientations, values and perceptions in the case of a HEI in Hungary. The study has the following aims.

1) To explore the composition of the organisational culture in terms of the degree of homogeneity, heterogeneity or fragmentation within and across subcultures and in relation to the organisation
2) To uncover the culture types and characteristics of the organisation’s overarching culture and subcultures
3) To examine hidden complexities between culture type and perceived market orientation for the subcultures

When considering the market-orientation of the organisation in relation to a potentially complex organisational culture, the entire staff is considered rather than the management. The management may well be the strategy makers and have a key role in instigating the orientation of the organisation, but organisational culture is much more than the desired values of management or the espoused values. It would take a leap of faith to assume that all employees have understood and subscribe to management perspectives and values.

Finally, the post-merger status of the organisation does not mean that this study is a retrospective analysis of a merger, although the long-term impact of a merger upon the degree of fragmentation or homogeneity of the organisational culture is a factor discussed in the literature review section of this study.

1.2 Significance of the study
As of September 2012, Hungarian higher education institutions were to be deeply affected by the government’s plans to reduce funding for students, primarily those studying business-related degrees. Such changes in funding since 2012 have resulted in decreasing levels of enrolments (Temesi, 2012).

With an uncertain future, a cultural perspective is the means through which institutional responses can be anticipated, understood and even managed (Dill, 1982; Tierney, 1988) and the culture may be the tool or even the foundation upon which success is built. The degree to which an organisation is homogenous or fragmented may affect performance or at the very
least, indicate the number and groupings of staff that are on board when the organisation needs to consider a new direction. It also serves as a means of detecting potential resistance to change. Discovering the bases for the formation of these subcultures may shape recruitment strategies for the future as the organisation seeks staff that is not only capable of fitting into the culture and subcultures but also have openness to a market-orientation. Moreover, the degree of homogeneity, bases for formation and types of subcultures all serve as crucial data for developing a change management process by which an organisation may seek to align subcultures to the desired culture type or orientation.

The market orientation of HEIs may be seen as a critical success factor affecting the survival of the organisation in a competitive local and international market. A failure to adjust may result in the supply needs no longer matching those demanded on the international stage. On a national level too, the freeing up of the local markets has resulted in many HEIs no longer only competing with one another but also with new private schools and colleges that offer similar courses to those of the organisation. By identifying the subcultures, their culture type and perceptions, cultural fit can be considered in terms of subcultures fitting into the overall dominant culture of the organisation. Perceived market-orientation of these subcultures can be analysed and considered in terms of which subcultures seem to be ‘on the right track’. Thus, from a management perspective, the common characteristics of subcultures and the level of homogeneity between subcultures may be seen in the context of potential resistance to change or as a lever for change for the future.

The methodology employed in this study should not only be of interest to organisations in the education sector but also to other large complex organisations as a means of identifying subcultures and their orientation which in turn could be considered in terms of compatibility with the overall direction of the organisation or highlight the need to align subcultures which are at odds with the management’s desired strategy. An examination of the potential impact of the market-orientation of subcultures in a post-merger case may raise important questions concerning acculturation, post-merger culture fit or clash and the effect of the subcultural context on organizational orientation and effectiveness.

Finally, one major practical contribution is to provide insight for the management of the organisation and other institutions into issues warranting consideration when embarking on a change in course regarding a market-orientation.
1.3 Theoretical framework

The theoretical foundation for this study was organisational culture (and subcultures) and market-orientation and focuses on the given values and perceptions of employees rather than superficial manifestations of orientation and culture. Prior to the literature review, the conceptual framework was drawn up as a means of considering the potential areas for research into the literature. Through this model, the scope of the study was narrowed to an internal focus on the organisational culture of an HEI and its market orientation as seen in the following figure as the highlighted grey areas:

Figure 1: The theoretical framework for this study

As seen in the above figure, the following areas of theoretical and scholarly work are to be reviewed in this study: 1) classic and current literature concerning organisational culture; 2) organisational culture within the context of higher education; 3) market orientation theory; and 4) market orientation in a higher educational context.
1.3.1 Research Questions
The research questions have been formulated with the premise that subcultures exist in large complex organisations such as higher education institutions:

RQ1. What type of subcultures form in this organisation?
RQ2. Are subcultures entirely homogenous or have elements of heterogeneity?
RQ3. Does the existence of subcultures enhance the organisation’s market orientation?

1.3.2 Operational definitions
For the purpose of this study the following operational definitions are used:

1. Market orientation
“The degree to which an organisation in all its thinking and acting (internally as well as externally) is guided by and committed to the factors determining the market behaviour of the organisation itself and its customers” (Kaspar, 2005; 6). Kolhi and Jaworski (1990) claim market orientation can be broken down into three orientations: 1) customer orientation; 2) competitor orientation and 3) cooperation coordination. In a higher education context, these three orientations are similar, with the central difference being that the customer orientation is seen as a student orientation (Hemsley-Brown and Oplatka, 2010). The marketing process of the organisation and the dynamics of the external environment will not be examined in this study but rather the perceptions and orientation towards the market as opposed to people, tasks, academic or other possible orientations;

2. Higher Education Institution (HEI)
An institution such as a college, university or Business School providing courses for students following their studies at secondary school, usually from the age of 18. Such institutions are often referred to as tertiary education, or post-secondary education;

3. Subculture
A subset of an organisation’s members who interact regularly with one another, identify themselves as a distinct group within the organisation, share a set of problems, and
routinely take action on the basis of collective understandings unique to the group (Van Maanen and Barley, 1985);

4. Organisational culture

“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 these problems” (Schein, 1985; 6). Culture may refer to the ‘real culture’, which concerns the characteristics of the organisation or the ‘constructed culture’, which concerns people’s perceptions of themselves and others as members of the organisation. A view of organisational culture may be unitarist (integrationist), differentiated (pluralist) or fragmented (anarchist), or a combination of these three (Martin, 2002);

5. Competing Values Framework (CVF)

The framework was originally put together by Quinn and Rohrbaugh (1983). The Framework is used to assess leadership roles, organisational effectiveness and organisational culture. Through this framework the Organisational Culture Assessment Instrument (OCAI) was developed by Cameron and Quinn (1999) to assess the culture of an organisation according to four types: adhocracy, clan, hierarchical, and market. An organisational culture is seen as not merely one type but a combination of the four types which simultaneously exist. In this way there are competing values, with perhaps one culture type achieving dominance over the other three types;

6. Values

These are the general criteria, standards or guiding principles that people have and use to determine which types of behaviour, events, situations and outcomes are desirable or undesirable (Jones, 2001; 130). Terminal values refer to the desired end states or outcomes, such as high quality or strong culture. Instrumental values refer to the desired modes of behaviour, such as working hard or keeping to deadlines. Espoused values are seen as a desired state put forward by management rather than the actual values held by individual members of the organisation.
1.3.3 Assumptions

The following assumptions can be considered core assumptions for this study:

- Culture is bound to a context (Kuh and Whitt, 1988; 29)
- Culture is transmitted and through this individuals derive meaning (Hall, 1976; Schein, 1985)
- Culture is fairly stable but always evolving (Kuh and Whitt, 1988; 29). Thus, culture is stable enough to define and shape although patterns of interaction may change over time
- Culture bearers may disagree on the meaning of artefacts and other properties of culture (Allaire and Firsirotu, 1984)
- Values provide the basis for a system of beliefs (Allaire and Firsirotu, 1984)
- HEIs are open systems affected by the external environment
- A large complex organisation in Higher Education with different locations / professions is likely to have subcultures (Becher, 1987)
- The organisation used in this study is tending towards market orientation according to publicly available documents and news (see Appendix 2). This aspect will be further discussed in the section concerning a profile of the organisation. This tendency is also seen in other institutions of higher education in Hungary, such as the Corvinus University of Budapest, the slogan of which is ‘The competitive university’.
- It is assumed that the current changes in the education system in Hungary (decreased state funding for students and HEIs alike) are change drivers pushing institutions towards a market orientation
- The concepts of market orientation and culture can be defined, surveyed, measured and correlated into meaningful results for this institution - thereby also assuming that there is some underlying relationship between market orientation and culture

1.4 Limitations

The focus of this study is on the organisational culture and the composition of subcultures within the organisation and the perceived market orientation of the organisation according to the employees. Although there may be other external factors which impact upon the

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3 ‘Versenyképes Egyetem’
perceptions, values and market orientation of the organization. These are beyond the scope of this study.

Some qualitative research was carried out in relation to this study as a means of triangulating the quantitative results using semi-structured interviews as well as providing further insight into subcultures. However, it was decided that this study would focus solely on the quantitative research due to restrictions on the length of this document and thereby avoid the risk of overloading the reader with too much or superfluous data.

As a case study, it is limited by its generalizability (external validity) when considering other institutions. The results found in this study are relevant only to the case in hand. Due to the exploratory nature of this case study, no broad generalizations are put forward although questions may be raised through the findings which indicate potential areas for research.

1.5 Method and instruments

To identify the subcultures and their corresponding culture types in this case study, survey methodology was used to obtain information from employees from all areas and levels of the organisation about their values (preferred culture), the perceived state of the organisation and the perceived market-orientation of the organisation, as well as certain demographic data.

When considering a suitable instrument, the approach taken to culture helps to narrow the range of options to choose from. A positivist approach to organizational culture may utilize the instruments that produce a numerical summary of the dimensions of culture of an organization (Davies, Philp, and Warr 1993). A more constructivist approach may use a typological tool, such as the Competing Values Framework, or Harrison's Organization Ideology Questionnaire. An alternative may be qualitative approaches such as observation, interviewing, or projective metaphors (Schein 1985; Nossiter and Biberman 1990; Lisney and Allen 1993; Schein 1999).

As discussed later in section 6.4 in greater detail, the most suitable instrument would be one with a market-culture aspect to the questionnaires and considerable usage in an educational context. The Competing Values Framework has a market-culture type and the organisational culture assessment instrument (OCAI), based upon this framework, was originally developed for an educational context. Therefore, this questionnaire is the first choice for the study. The
OCAI (Cameron & Quinn, 1999, 2006; Quinn & Rohrbaugh, 1983, 1981) will be used to typify staff values and perceptions of the organisation.

The Competing Values Framework was developed by Quinn and Rohrbaugh (1983) as a means of describing the effectiveness of organisations along two dimensions and makes use of two bipolar axes as a means of indicating four orientations of culture. The origins of this model go back to the study of Campbell (1977) which designed a scale of organisational effectiveness, following which Quinn and Rohrbaugh (1983) used the scale comprising 39 indexes to develop the Competing Values Framework. Quinn and Kimberly (1984) developed the CVF to assess organisational culture. The model can be seen in the following figure:

Figure 2: The competing values framework

According to Cameron and Quinn (2006; 31), this model with the four quadrants denotes “the major approaches to organisational design, stages of life cycle development, organisational quality, theories of effectiveness, leadership roles of human resources and management skills”. The two axes create four quadrants for each of the four culture types (Cameron and Quinn, 1999; 32) as follows:

1. The ‘Clan’ culture is characterized by internal cohesiveness with shared values, participation and collectivism. A focus on internal problems and concerns of individuals. Perpetual employment with an informal approach to work. Cultural values
include cohesion, morale and HRM. The leader type would be a facilitator, mentor or parent style.

2. The ‘Adhocracy’ culture uses ad hoc approaches to solve problems incurred from the surrounding environment and indicates a willingness to take risks, creativity and innovation. Independence and freedom are highly respected. Cultural values include growth and cutting-edge output. The leader type would be an innovator, entrepreneur or visionary.

3. The ‘Hierarchy’ has centralized decision-making, much formalized structures and rigidity with policies, instructions and procedures aimed at reducing uncertainty and enforcing stability. Changes are impossible without it being official. Conformity is encouraged. Cultural values include efficiency, timeliness and smooth functioning. The leader type would be a coordinator.

4. The ‘Market’ culture is based on orientation to the market and maintaining or expanding current market share. There is a focus on profit and ambitious, quantifiable goals. Competition is emphasised both inside and outside. Culture values include market share, goal achievement and beating competitors. The leader type is a hard-driver.

Ferreira and Hill (2007; 648), in their study of universities in Portugal using the OCAI, found that some outcomes according to their factor analysis indicated some mixing of the culture types so that, for example, Clan and Adhocracy together defined a factor ‘flexibility, discretion and dynamism’, and other factors found described the cultures ‘market culture supported by a formal hierarchy’ or ‘prudent hierarchy focussed on fee income’. This indicates that not only might the outcome of this study indicate one or two (or no) dominant culture types but also that there are areas of splitting or mixing of these four types. Cameron and Quinn (2006; 151) claim that the OCAI is an instrument that “reflects fundamental cultural values and implicit assumptions about the way the organisation functions”. The OCAI can also be used to illustrate the life of the organisation as the organisation shifts values and orientation, although this study is not a longitudinal study.

In an HEI context, the clan culture has internal cohesiveness, shared values and perpetual employment which are all associated with Higher Education. In a study of students in Hungarian HEIs, Balogh et al. (2011) found that most students would prefer to work in a clan type of culture. The clan culture type characterized as a big family with teamwork and loyalty.
as principal values may call to mind for some Hungarians the previous socialist system in Hungary. The independence and freedom of the ‘adhocracy’ culture seems to relate to the role of professors and teaching staff with their high autonomy. Furthermore, HEIs have centralized decision making and formalized structures, procedures and policies much like that of the hierarchy culture type. With the current pressures on higher education, values associated with the market-culture type could also emerge in higher education. Thus, the four culture types can be seen to varying extents as feasible in the context of a higher education institution in Hungary.

The CVF “has been shown empirically to reflect the thinking of organisational theorists on organisational values and resulting organisational effectiveness” (Cooper and Quinn 1993: 178). The CVF is specifically designed to represent the balance between different cultures within the same organisation and as such would suit the differentiation that occurs in HEI culture. Despite this, there have been relatively few investigations into organisational culture in European educational contexts and very few of those have used the competing values framework, such as Cameron et al. (1991) and Ferreira & Hill (2007). However, the CVF has been used in the education sector to examine organisational effectiveness of HEIs (Smart et al. 1997; Smart, 2003; Winn and Cameron, 1998). In fact the original use of the CVF was to consider the effectiveness of HEIs (Cameron, 1986; Cameron and Tschirhart, 1992). Barath (1997) confirms that, according to the Competing Values Framework, individual effectiveness is based upon value choices and thus: “the way individuals work within an organisation is determined by their scale of values, their individual motivations and ambitions” (Barath, 1997; 4). Although individual effectiveness is not the focus of this study it will be mentioned in the practical implications of the findings.

Through the CVF, the OCAI was developed as a means of measuring organisational culture by Cameron and Quinn (1999). The OCAI acknowledges that organisations have cultures and are cultures (Cameron and Quinn, 2006; 145). Furthermore, culture “resides in individual interpretations and cognitions” and yet, as can be seen in the following table, it emerges from collective behaviour (Cameron and Quinn, 2006; 146):

<table>
<thead>
<tr>
<th>Functional approach</th>
<th>Anthropological foundation</th>
<th>Sociological foundation</th>
</tr>
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Table 1: Competing values framework disciplinary foundations
Several researchers have found the OCAI adequate and reliable, such as Quinn and Spreitzer (1991) reporting a Cronbach’s alpha coefficient greater than 0.70 for each culture type and providing evidence of both convergent and discriminant validity. Yeung, Brockbank and Ulrich (1991) report a Cronbach’s alpha coefficient close to 0.80. Kallith, Bluedorn and Gillespie (1999) also reported outstanding validity and reliability. Helfrich et al. (2007) reported good internal consistency, although they found the OCAI having poor divergent properties. In a higher education context, Zammuto and Krakower (1991) carried out a validity check of the OCAI in an investigation of HEIs and produced good reliability coefficients. A similar validity check was carried out by Kwan and Walker (2004) on government-funded higher education institutions and confirmed the validity of the competing values model as a tool in differentiating organisations.

The OCAI has also been used in Hungary as a means of assessing culture types in Bulgarian, Hungarian and Serbian enterprises (Gaál et al., 2010). The OCAI has also been used to make a comparison between cultures of different organisations or stress the importance of a balanced culture between the four types (Zhang et al., 2007). Due to the OCAI’s links via the CVF to organisational effectiveness and leadership, there have been a number of findings of the typology of cultures in HEIs through the use of the OCAI. The findings suggest that institutions with a dominant clan or adhocracy culture are the most effective, those with a market culture are in the middle with those institutions having a hierarchy culture being least effective (Cameron and Ettington, 1988; Cameron et al., 1991; Smart et al. 1997; Smart and St. John, 1996).
The methodology of using an instrument for cultural assessment as a means for identifying subcultures was first introduced by Hofstede (1998) for a study of the organisational culture of a large Danish insurance company of 3,400 employees. To identify the subcultures, a hierarchical cluster analysis using Ward’s method was undertaken. This produced a dendrogram through which significant clusters can be detected. This method has also been used by Tan and Vathanophas (2003) to identify the subcultures of 230 knowledge workers in Singapore. Adkinson (2005) used the OCAI in a Higher Education Institution to demonstrate the nature of the ‘three perspective theory’ of Martin (2002) i.e. integration, differentiation and fragmentation perspectives existing simultaneously within an organisation. This not only demonstrated the possibility of identifying subcultures with the OCAI but that elements of integration and fragmentation are identifiable with this instrument.

The second instrument to be used is the market orientation (MO) questionnaire, which was designed by Hemsley-Brown and Oplatka (2010). This questionnaire was designed specifically for use in higher education and has been used in a number of countries. Based upon the theoretical work of Narver and Slater (1990) on market orientation, Hemsley-Brown and Oplatka developed this instrument in 2007 with the following three dimensions: student orientation; competition orientation; and inter-functional orientation. Some studies have since questioned whether the student should be seen as the customer, or not. Winter (2009), in a study of values and academic identities in the context of market orientation and academic managerialism, saw the student as the consumer. Amongst other writers, Porfilio and Yu (2006) highlight concerns for the student being seen as the consumer and the inherent commercialization of education, but offer no alternatives. Bay and Daniel (2001) state that perceiving the student as the consumer will result in a short-term, narrow focus on student satisfaction and suggest the student should be seen rather as a collaborative partner. Regardless of the potential effects of seeing the student as a customer, as no alternatives are provided and the majority of responses in the pilot study indicated that the student was the customer, the assumption of this instrument that the student is the consumer is advocated.

Hemsley-Brown and Oplatka (2010: 207) claim that the first two orientations (student and competition) highlight the information aspect of a market orientation as the two elements pertain to “collecting and processing information pertaining to customer preferences and competitor capabilities, respectively”. On the other hand, the cooperation orientation is concerned with “the coordinated and integrated application of organisational resources to
synthesize and disseminate market intelligence, in order to put processes in place to build and maintain strong relationships with customers” (Hemsley-Brown and Oplatka, 2010; 207).

1.6 Summary
Higher education institutions in Hungary are undergoing significant change due to reduced funding from the government to students and institutions and increasing market pressures. The lack of financial resources is a significant impetus in developing a market-orientation and a market culture. In large complex organisations, especially in higher education, subcultures have been found to exist. Using the OCAI instrument to identify subcultures using a hierarchical cluster analysis (Ward’s method), these subcultures can be typified as a means of uncovering the nature, orientation, perceptions and common characteristics of these subcultures. Moreover, the market orientation questionnaire can be used as a means of detecting employee perceptions of market orientation. By typifying subcultures and perceptions of market orientation, the need to align subcultures towards a market orientation or market culture can be assessed, providing information for change processes, the identification of the cultural composition of the organisation, the extent of heterogeneity across subcultures and the homogeneity within them.
Chapter two: Background

2.0 Background of the case study
This section serves to introduce the organisation to be examined and provide some background with regard to the market orientation, organisational culture and general state of higher education in Hungary.

2.1 A profile of the organisation
The organisation was formed as part of a merger between three colleges that took place in 2000. Two of these colleges were formed in 1857 with the other commencing in 1957. Each college has a particular focus in commerce and management, finance and accounting or tourism and catering, and offer courses ranging from foundation courses and vocational courses through to Masters’ and PhDs. The three colleges are situated in locations around Budapest with one of the colleges having two satellite institutions based in the North and South-West of Hungary. In 2011, one of the satellites achieved independent status for itself and became the fourth faculty of the organisation. This handover took place around the time of the research, but as significant organisational culture change occurs over the long term rather than short term, the fourth Faculty has been treated as remaining a part of the Faculty, as existed prior to the change.

The merger was forced upon the three HEIs and the organisation has recently celebrated its 10th anniversary. As a result of the merger, it became the fifth largest Hungarian HEI with approximately 22,000 students. From an organisational culture point of view the fact that the colleges remained on their own campuses rather than on one shared location seems a significant barrier to integration. With a matrix form of organisational structure, each department of each college is accountable to both the Dean as well as the Head of Institutes (an example of this matrix structure for a section of the organisation can be found in Appendix 1). This encourages and maintains integration and homogeneity between colleges. The Head of Institutes are thus responsible for Departments within all three of the Faculties. When presenting the findings, the colleges will be referred to as College A, B and C to preserve the anonymity of each one.
The harmonisation process of the three colleges following the merger appears as a slow one; only in recent years have colleagues mentioned conflicts concerning harmonisation of courses and course materials. Many staff has experienced minor changes in the way they work to-date. The varying degrees of complication and need for acculturation between organisational cultures associated with mergers are likely to impact upon the subcultures therein and will be discussed further in the literature review.

2.1.1 Market-orientation of the organisation
Although the focus of this study is on the culture’s market orientation rather than the strategy relating to a market-orientation per se, the strategic view serves to indicate the desired direction of the organisation (Johnson and Scholes, 2008; Mintzberg et al. 2005). According to the data displayed in appendix 2, the organisation demonstrates a number of aspects associated with a market-orientation; competition orientation, customer orientation and a focus on the market and innovation (Narver and Slater 1990). One particular issue that came across in many documents as important to the organisation was that of practice-orientation. This is aimed at providing students with competencies useful to employers, thereby enabling students to find workplaces and be successful in their chosen careers. This whole concept encroaches across a number of aspects of market orientation. Firstly, customer satisfaction: the aim for most students is to get a job and have a successful career or at the very least feel they are equipped with the skills to fulfil their employer’s or manager’s expectations. Secondly, the aspect of being practice-oriented in the face of other institutions with a more theoretical leaning indicates a desire for differentiation on the market as well as an awareness of what the competition is offering in relation to the organisation’s position. This organisation is also concerned with maintaining firm relationships with employers and the labour market, which is tied to achieving customer (student) satisfaction with courses.

In general, the change drivers in both public and private organisations for a market orientation are often cited as: globalization, economic rationalism and information technology (Burke and MacKenzie, 2002; Weber and Weber, 2001). Globalization in higher education has grown since the introduction of pan-European or global standards and systems in Higher Education such as the Bologna system, which had an impact on the Germanic system employed in Hungarian HEIs.
Underlying the trends of technological advancement and an acceleration of globalization is competition. In a global marketplace, education itself appears to be developing into a commodity and in a rapidly-changing world, the agility to define and redefine program offerings to match current market needs is an important success factor. These two issues involve novel concepts for Higher Education Institutions (HEIs) and require substantial change in the ways they operate. The organisation that is the focus of this case study is becoming increasingly international with an ever-increasing number of courses held in English and an increasing focus on attracting foreign students, Erasmus schemes for their own students and more collaborations and contacts with universities, colleges and companies abroad. Although overall student enrolment dropped from 19,941 students in 2003 to 17,796 in 2007, the organisation explains this with the demographic fall in the population of the age group concerned, perhaps indicating a need for greater reliance on international sources of students. This is borne out by an increased figure of around 20,000 in 2014. A recent survey by ‘Heti Válasz’\(^4\) indicated that the organisation was the first among the rankings of colleges in Hungary and the fourth among all the institutions of higher education in Hungary in the standard of excellence. The ranking was similar to the ones made by other magazines, such as the US News and World Report, Financial Times and Newsweek as it took into consideration key areas like: the number of applicants; the feedback of the labour market; and the opinion of the largest employers.

Competition in higher education comes from local and foreign universities / colleges, private institutions and the relatively new “virtual universities”, with a seemingly endless range of courses and curricula in many cases set to suit the student. All these factors combined with the greater dependence on external sources of funds (rather than the government) lead to an increasing urgency to keep abreast of competition locally and, if possible, globally. HEIs such as smaller colleges may look to merge with larger universities or colleges as a means of growth, surviving in the face of strong competition and / or may develop as a research institution and in many countries mergers of HEIs was enforced by law (South Africa, New Zealand, Hungary etc.).

With the increased need for a market-orientation, some HEIs have come under criticism for being out of touch with market needs or lacking adequate skills and knowledge in top

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\(^4\) A Hungarian political and economic magazine (Lit. ‘Weekly Response’)

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management, who tend to have academic rather than business backgrounds. In contrast, other HEIs have brought upon themselves the description of ‘academic capitalism’ (Slaughter and Rhoades, 2004). Some research indicates how HEIs need to adapt to entrepreneurial activities, strengthen their institutional management, and their interaction with industry and the rest of society (Clark, 1998; Etzkowitz, 2003).

As of 2012, the funding of students in courses in business and economics has been reduced in Hungary, whilst students of subjects such as IT and engineering have kept their government support. This has put the organisation at the centre of this study at a competitive disadvantage in the local market as the majority of the courses are in tourism, finance and management, resulting in a drop in the number of students for 2012. However, thanks to its good reputation as a school and especially regarding the prospects of students upon receiving their diploma of finding work, the organisation was not as hard hit as many others in Hungary. Nevertheless, there is a distinct increase in pressure to survive in the face of competition and attract students to the organisation.

2.2 Organisational Culture in Hungary

Hungary as a nation has undergone many changes over the past few decades. In the late eighties and early nineties, there was the tumultuous change from a communist regime to a democracy, from socialism to capitalism, and more recently Hungary has become a full member of the EU hoping within the next decade to join the Euro. This section seeks to uncover aspects of organisational cultures in general in Hungary.

Bognár and Gaál (2011) undertook a survey of 260 companies in Hungary using the OCAI and found that the majority favoured either the hierarchy (81 companies) or the clan culture type (81 companies), closely followed by the clan type (76 companies) and by far the least common type the adhocracy (8 companies). This is in stark contrast to the findings of Bogdány et al. (2012), who found from a survey of 1500 prospective employees that the majority (75.5 %) preferred the clan type as a future workplace followed by the market (9.2 %) and the adhocracy (9.4 %) culture types. In this study the hierarchy type was least preferred by prospective employees. This seems to indicate the potential for culture preference change over the coming years either as new employees are assimilated into current organisational cultures or new employees seek to gradually change existing cultures to suit their preferences. However, it should be noted that a similar study conducted by Balogh et al.
(2011) found conflicting results to that of Bogdány et al. (2012) with 1242 prospective employees who preferred the clan type, followed by the adhocracy, and then by market and hierarchy with similar results. Although the clan type still comes as one of the more preferred, the preferences regarding the adhocracy and hierarchy types seem less certain.

Aside from the preferences found using the OCAI, Bakacsi et al. (2002) considered the perspective of managers and used the GLOBE findings to describe the Eastern European cluster (Albania, Georgia, Greece, Hungary, Kazakhstan, Poland, Russia, and Slovenia). Managers from this cluster expressed distinctively high power distance and high family and group collectivism. This seems to reinforce a form of ‘clan mentality’. The managers also highly valued future and performance orientations, as well as charismatic and team-oriented leadership. Gelei et al. (2012) highlight that Hungary being a member of the East European Cluster may have a significant impact upon organisational relationships with Germanic or Anglo regions, as the East European Cluster is closer to the Latin American, Middle East and Sub Saharan Africa clusters. However, the external relationships of the organisation are beyond the scope of this study. Matkó and Berde (2012) also used GLOBE to analyse the organisational cultures in the public sector, namely regional local authorities. This study found the highest values in future orientation and asserted this was due to the economic situation and an increasingly competitive sector. This may serve to indicate a similar situation in higher education in Hungary as it experiences drives to become more competitive. Matkó and Berde (2012: 21) point out that “the future cannot be planned without team work and cooperation”.

Borgulya and Hahn (2008: 222) assert that Hungarians (as well as other Eastern Europeans) see the workplace as “not only an area for creating value added, but also a social net[work], where people can fulfil their social need for creating human relationships”, seemingly confirming the findings of Bakacsí et al. (2002: 69, 75). This seems to indicate a potential for interactions leading to the formation of subcultures. Furthermore, Hofmeister-Tóth et al. (2005) take this view one step further and claim that Hungarian employees are very likely to develop informal relationships and arguably, thereby a closer relationship as they see each other out of working hours. It should be noted however that in a more recent work by Borgulya and Hahn (2013) they considered the impact of the economic crisis on Hungarian work-related values with a longitudinal analysis using data from the earlier study in 2008 and found that this importance placed on personal relationships at work had decreased somewhat
leaving only two aspects with similar figures compared to their earlier study: good pay and a secure job.

2.3 Higher Education in Hungary

In the education sector, many institutions are leaning towards an emphasis on equipping the students with the need for skills and competencies required by local and global employers. For some time, government policy has been portraying intellectual capital as a major determinant of economic success. However, government funding has decreased significantly. State funding for students has dropped significantly since 2012, leading to decreased enrolments across the board. Higher Education Institutions (HEIs) are required to search for their own sources of finance such as international students and research funding, as well as submitting tenders for EU educational projects. With limited resources, some HEIs have merged in order to remain competitive and others have been forced to do so through government intervention.

Considering the changing nature of the organisation in terms of its impact on the employees, not only may perceptions change but values and behaviours as well. Shared perceptions that are concerned with ‘success’ may lead to cognitive changes. The threat of complaint of the student as a consumer about the lecturer as commodity producer may in turn lead to changes in teaching approaches and a change of priorities as academics opt for ‘safe teaching’ (Naidoo 2008: 49). Such changing behaviours may in turn alter values and perceptions of employees, and in turn affect the degree of market-orientation, although it is beyond the scope of this study to consider whether this change is for the better or not. Within the context of what the product is and who the consumer is. At an EMUNI conference in 2010 the central theme was entrepreneurship in education and this involved a focus on the employability of graduates by equipping them with more than theory, so as to include the necessary skills useful in business.

This aspect of the importance of employability of graduates is seen as somewhat lacking in Hungary by Barakonyi (2009: 212) when he adds that the “unsatisfactory development of skills and a lack of a European dimension have undermined the serious student mobility” in Hungary.

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5 3rd EMUNI Conference on Higher Education and Research focussing on Entrepreneurial learning and the role of universities. Held in Portorož, Slovenia.
2.4 History and national culture

This study deals with an HEI in Hungary and therefore will exemplify typical behaviour within the national system of education. Hardesty (1995; 25) points out that for example German tradition is characterized more by emphasis on the sciences and the individual pursuit of knowledge for knowledge’s sake, with a greater emphasis on discipline and the work of faculty members, whereas the British tradition is characterized by “a dominance of the liberal arts, development of the total person beyond the formal curriculum, and the emphasis on complexity of thought and of the educational process rather than a particular body of knowledge” (Berquist, 1992; 18-19). This study does not seek to explain national differences or national culture through the case study, despite national culture being understood as transmitted to people through HEIs (Banya and Elu, 2001). Heidrich (1999) claims that Hungary was very much collectivist and prone to social grouping with informal groups forming at many work places prior to the changeover. Heidrich (1999) also claims that there was a lack of individual risk taking and autonomy in making decisions, which is also due to this aspect of collectivism. Meschi and Roger (1994) studied 155 companies with partial ownership in Hungary and using the OCAI of Cameron and Quinn (1999), found the main types to be clan and hierarchy culture types. Heidrich (1999) also points out that power distance is a distinct characteristic of the education system. Bakácsi and Takács (1997) claimed that Hungarian culture tended towards masculinity rather than femininity. This case study concerns an organisation where well over half of the staff is female. The issue that national systems of higher education have differing characters and that there is the wider context of history and politics is seen as useful up to a point in this study and so certain aspects will be highlighted in this section as background for the organisation, but it should not be considered an exhaustive review of Hungary’s past and its politics.

During the changes of 1991, Kaufman (1991) conducted a study of the transition from a budget planned regime to a free market economy in Hungary from the point of view of education. Kaufman (1991) found that the vast majority of educators favoured a Western focus, with only one out of eighteen interviewees indicating the need to look inward, build national pride and concentrate on national uniqueness. This can be contrasted with the finding that the majority of the population in rural Hungary favoured strong nationalism whereas in urban Hungary a European focus was preferred. The locations for the organisation in this case study vary with the three colleges based in various parts of Budapest and two satellite institutions outside of the capital. The two satellite institutions are in urban areas, but as
Hungary is very heavily centralised around Budapest, there are potential differences in values found between the employees in Budapest and those outside, and with staff that work in both locations, such as teaching staff required to teach in Budapest but based at one of the satellite institutions. One significant constraint was expressed by educators as that of a “prevailing mood of uncertainty and hesitancy” coupled with a tendency for passivity and non-action in light of the past (Kaufman, 1991; 13, 16). Halász (2002; 5), on the other hand, argues that “a significant proportion of the teaching profession expressed nostalgia for the former centralised model”. Halász (2002) cites Setényi (2000) concerning recent changes in teachers in terms of increased openness to innovation and change, both of which could be seen within the context of a market-orientation, and the need for a change in direction.

In summary, based on the national culture, organisational culture and higher education in Hungary, there seems to be potential for a high degree of personal relationships, participation, collaboration and a future orientation in the shadow of the so-called ‘massification’ of education, academic capitalism and ‘McUniversities’. Polonyi (2008:18) highlighted how HEIs in Hungary have been encountering this trend as the figure of 10-14 % grew to 31-36 % for school leavers going into higher education from 1990-2000. Besides graduates having difficulty finding employment in their given field, this has an internal impact including hindering both administrative, managerial and teaching staff in the running of courses, the need for greater transparency and accountability as well as perceptions of the student, colleagues and the organisation itself.
Part I: Critical review of theoretical and empirical literature
Chapter three: Organisational culture

3.0 The culture of an organisation
In order to understand and examine the organisational culture of the organisation, the literature review first considers the theoretical perspectives that can be selected when conducting research in this field. The specific context of organisational culture in higher education is then considered with regard to previous studies and, thereby, the findings of these studies may serve to put together a theoretical model and background for this study.

3.1 Cultural perspectives
The question as to whether subcultures exist in organisations is somewhat contested and a number of perspectives have been suggested in relation to the composition of organisational culture. According to the unitarist perspective, there is an essential unity of the organisation that allows the classification of organisation culture as with Handy (1993) and the four culture types: task, power, people and role-oriented cultures or Hofstede (1980) with an organisation having a role, achievement, power or support culture. This perspective also assumes top-down cultural leadership, which requires unity to be effective and the culture is seen as homogeneous. Martin (1992) referred to this perspective as the integration perspective and Deal and Kennedy (1982) see it as the ‘normative glue’, holding all areas of the organisation together through shared values and beliefs as reflected in the expression ‘the way we do things round here’ coined by Deal and Kennedy (1982), rather than ‘the way some of us…’ or ‘the way most of us do things around here’. However, Kuh and Whitt (1988; 27) point out that “the ‘small homogenous society’ analogue … is surely strained when applied to many contemporary institutions of higher education”. Martin and Siehl (1983) advise HEIs should be seen in a multicultural context, where subgroups with their own traditions and values are tolerated and perhaps even encouraged regardless of whether or not these subcultures adhere to the institution’s norms, values and beliefs.

The pluralist perspective recognises the existence of diverse subcultures in organisations (i.e. culture is heterogeneous). Ogbonna & Wilkinson’s (1990) study of the effects of a supermarket cultural change program supports the existence of subcultures in smaller organisations. Martin (1992) refers to this perspective as the differentiation perspective and highlights the diversity and inconsistency of subcultures, as conformity towards a single
monolithic organisational culture is replaced by cultural diversity and the potential conflict between these subcultures is tolerated.

The anarchist perspective indicates an even greater level of fragmentation, with organisational culture being made up of individuals with their own values and norms and as such neither a single dominant culture nor any subcultures are said to exist. Hofstede et al. (1990) found this in twenty case studies and as such, managing cultural change is impossible on an individual basis and the focus shifts towards communication and diversity management. Martin (1992) refers to this perspective as the fragmentation perspective with fragmented groups being issue-specific and no shared meaning between members of the organisation or members of part of the organisation. In adopting such a perspective, the outcome of such deeply fragmented groups is a series of contradictions and confusion on the part of the members (Martin and Frost, 1995) and Martin (1992) characterises this perspective of organisational culture as displaying a lack of consistency, consensus and ambiguity. Seevers (2000) claims values are neither completely stable nor unstable but rather change according to the environment of individuals and groups. Rokeach (1973) attributes this state of flux to the continual interaction between cognitive, behavioural and affective components.

It seems reasonable for managers to assume the integration / unitarist perspective as this reinforces their desire for all staff to ‘tow the line’ and ties in with the concepts of vision and mission as an integrative force encouraging improved staff performance and increased unity of direction. Metzger (1987) claims that in studies of organisational culture in higher education, two of the three perspectives are referred to: unitarist and pluralist. Despite writing a number of detailed works on the subcultures and even sub-subcultures found in higher education institutions, Becher (1987) indicates the unitarist perspective may be applicable when referring to the academic profession as a ‘single homogenous profession’, as it has many more similarities than differences and is based on the assumption that all faculty members share of common view of the world and scholarship.

Beyond these three perspectives, Schein (1988) suggests that subcultures may exist alongside a dominant culture. The concept is that each subculture has members with a combination of pivotal and peripheral values. Pivotal values may be considered as the core values of an organisation and members are expected to uphold these values, with those that do not being rejected (Chatman, 1991; O'Reilly & Chatman, 1996). On the other hand, peripheral values
refer to those values not considered as core values but the organisation may encourage members to adopt them. Failure to take on the peripheral values, however, does not result in rejection in the same way as when failing to uphold the pivotal values. Bloor and Dawson (1994) observed a combination of pivotal and peripheral values in their study of social workers with the peripheral values being different to those of the organisation but this did not adversely affect the organization. According to Boisnier and Chatman (2002), the “members' degree of conformity to peripheral norms can vary considerably”. Furthermore, Poskiene (2002) found that there were overlapping values among the subcultures in the university culture, which highlighted certain pivotal values held throughout the organisation. It has been argued that in some organisations, such as prisons, pivotal values are so widely adopted that they restrict the emergence of peripheral values and thereby, the emergence of subcultures (O'Reilly and Chatman, 1996; Van Maanen and Barley, 1984). However, Boisnier and Chatman (2002) contest this as unlikely in strong culture organisations. The question for higher education is what may be considered as subcultural pivotal values and if there is any overlap of subcultures between, for example, occupation, department and location based subcultures (see later section on occupational subcultures) or in the case when teaching staff have a number of influences upon them, such as the discipline (prestige, publications, reputation), profession, and the organisation.

In higher education, Kuh and Whitt (1988) claim the shared (and strongly held) values of this profession are: the main responsibility is to be learned and convey this learning (through teaching, inquiry and publication); autonomy in the conduct of work; and collegiality (e.g. mutual support). This does not necessarily mean that within HEIs there is a single strong homogenous culture and a unitarist perspective is required. These common values through the profession can thus be seen as pivotal values with subcultures existing with a combination of these pivotal values and other peripheral values shared in the subculture itself. These differences in peripheral values may go towards explaining the fragmentation and complexity in HEIs. Bess (1982) described the academic profession as a ‘complex of subprofessions’. Becher (1987) points out that the differences in the academic profession may be more significant than the similarities. Studies such as that of Bowen and Schuster (1986) which found that members of different disciplines showed different values, attitudes and personal characteristics seem to indicate the need to adopt a pluralist perspective. Becher (1987: 292) even refers to subcultures within disciplines, which is a subculture in itself: “to affiliate with a particular specialism is to become, except in a few heavily populated areas, a member of a
small and close-knit community”. Thus, it could be said that despite the common and strongly held values of the academic profession, within each institution subcultures have been found to exist. When considering the implications of the perspective taken in any study, Toarniczky and Primecz (2006) highlight the studies to date according to perspective and approach as can be seen in the following table:

Table 2: Studies of organisational culture by perspective and approach

<table>
<thead>
<tr>
<th>Perspective</th>
<th>Integrationist</th>
<th>Differentiation</th>
<th>Fragmentation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Managerial</td>
<td>Non-managerial</td>
<td>Managerial</td>
</tr>
<tr>
<td>Radical structuralist</td>
<td></td>
<td>Willmott (1993)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Toarniczky and Primecz (2006; 8)

The above table hinges on the three perspectives put forward by Martin et al. (2004) as well as the non-managerial or managerial perspectives and the four approaches to organisations:
functionalist, interpretive, radical humanist and radical structuralist (Burrell and Morgan, 1979). In order so assess subcultures in the organisation, a differentiation perspective has been taken in this study, with both managerial and non-managerial perspectives. The aim is not to consider the best fit of the organisation or effective strategies to manage diversity (functionalist), or to interpret artefacts and superficial manifestations of organisational culture (interpretive), but rather to consider and identify the divisions of value sets within the organisation. Thus it could be said that this study adopts a radical humanist approach with a differentiation perspective (in that the existence of subcultures is a basic assumption) and is both a managerial and non-managerial study. This includes the possibility that the organisational culture of the HEI may have some form of overall dominant culture, subcultures and ambiguous fragmented areas simultaneously, which would indicate the need for a multi-paradigm approach (Toarniczky and Primecz, 2006; 9). No assumption is made in this study that subcultures have to differ in pivotal and peripheral values since initially the study is explorative in nature. The research questions are based upon the mapping of the organisational culture, and from this resulting map, the required perspective will become apparent, be it integrated, differentiated, fragmented or a combination of these perspectives.

As a final note for this section, the Competing Value Framework, which is the basis for the research instrument in this study (Quinn and Rohrbaugh, 1983), has been used to assess organisations with a multi-perspective approach rather than merely a unitary perspective. Thus allowing for competing values, simultaneously existing culture types as well as areas of ambiguity and uncertainty, as can be seen in the following figure which shows how values which are unclear or counteractive affect the operation of the organisation in contrast to values such as those concerning openness and participation which in turn may affect the organisation positively (Quinn et al., 1996; 21):
3.2 Organisational culture theory

There is a plethora of definitions ranging from the detailed to the more generalist and varying in perspective and focus from a range of fields including anthropologists, sociologists, social psychologists, managers, consultants, organisational behaviourists and so on. Definitions of culture may also depend on whether it is seen as a cause or an effect. As an effect, the focus of the definition is on outcomes and culture as a manifestation of behaviour, hence the definition of culture as “the way we do things around here” (Deal and Kennedy, 1992). When considering culture as a cause then culture is defined as the means by which behaviour is formed involving the reference to values, norms and beliefs from which individual and group internal and external interactions stem.

Definitions concerning culture as a generic term vary according to the needs of the author and the context in which the word is being applied. For example, Hall’s definition of culture as “Culture is communication, communication is culture” is fitting in the context of anthropologist writing about the issue of language (Hall, 1959). When Gudykunst and Kim (1992) refer to culture as “the systems of knowledge shared by a relatively large group of
Hofstede (1981; 24) defines culture as: “the collective programming of the human mind that distinguishes the members of one human group from those of another. Culture in this sense is a system of collectively held values”. Although this definition of culture has been applied to a unitarist culture of organisations, this ‘programming of the mind’ that distinguishes one group from another could just as well be applied to the differentiation or fragmentation perspective. Becher and Trowler (2003: 23) refer to culture as ‘sets of taken-for-granted values, attitudes and ways of behaving, which are articulated and reinforced by recurrent practices among a group of people in a given context’. Thus, it seems that many of the definitions of culture in general could be applied to a multi-perspective approach to assessing the organisational culture in higher education. The following table gives a list of some of the best known definitions in relation to organisational culture:

Table 3: Organisational culture definitions and their context

<table>
<thead>
<tr>
<th>Author</th>
<th>Year</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Van Maanen and Schein</td>
<td>1977</td>
<td>“values, beliefs and expectations that members come to share” (p.37)</td>
</tr>
<tr>
<td>Schwartz and Davies</td>
<td>1981</td>
<td>“a pattern of beliefs and expectations shared by the organisation’s members. These beliefs and expectations produce norms that powerfully shape the behaviour of individuals and groups in the organisation” (p.33)</td>
</tr>
<tr>
<td>Ouchi</td>
<td>1981</td>
<td>“set of symbols, ceremonies, and myths that communicate the underlying values and beliefs of the organisation to its employees” (p.4)</td>
</tr>
<tr>
<td>Martin and Siehl</td>
<td>1983</td>
<td>“glue that holds together the organisation in through shared patterns of meaning. Three component systems: context or core values, forms and strategies to reinforce content” (p.52)</td>
</tr>
<tr>
<td>Wallach</td>
<td>1983</td>
<td>“the shared understanding of employees as to how things are done” (p.28)</td>
</tr>
<tr>
<td>Wilkins and Ouchi</td>
<td>1983</td>
<td>“The taken-for-granted and shared meanings that people assign to their social surroundings” (p. 25)</td>
</tr>
<tr>
<td>Schein</td>
<td>1985</td>
<td>“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 these problems” (p.6) and (1992; 12; 1991; 247)</td>
</tr>
<tr>
<td>O’Reilly</td>
<td>1989</td>
<td>“from a management perspective, culture in the form of shared expectations may be thought of as a social control system” (p. 12)</td>
</tr>
<tr>
<td>Denison</td>
<td>1990</td>
<td>“the underlying values, beliefs and principles that serve as a foundation for an organisation’s management system as well as the set of management practices and behaviour that both exemplify and reinforce those basic principles” (p.2)</td>
</tr>
<tr>
<td>Kotter and Heskett</td>
<td>1992</td>
<td>“an interdependent set of values and way of behaving that are common in a community and that tend to perpetuate themselves, sometimes over long periods of time” (p.141)</td>
</tr>
<tr>
<td>Brown</td>
<td>1995</td>
<td>“the pattern of beliefs, values and learned ways of coping with experience that have developed”</td>
</tr>
</tbody>
</table>
From the above table, Schein (1985)’s definition stands out as relevant to this study not only in terms of subcultures being formed by interaction, but also since reference is made to the perceptions held by members, which will be referred to later in this section when dealing with the difference between climate and culture. Some definitions indicate the culture-formation process as being achieved through more than simply internal integration and interaction and refer to problem-solving as a key issue. This is referred to in Schein’s definition in relation to ‘external adaptation’. Pettigrew (1987; 658) refers to studying organisations within a given context, which may be an outer or an inner context. The outer context refers to the social, economic, political and competitive environment. The inner context refers to structure, corporate culture and political context. This study focuses on the inner context, more specifically the corporate culture, although references are made to externalities in terms of those affecting market-orientation and these two variables: corporate culture and market-orientation are not seen as mutually exclusive but rather that one impacts on the other (see section on theoretical framework). Bokor (2000) sees culture as based on the following elements: a cognitive level (belief systems), a values level and a perceptual level (perception filters). This study will focus on values and perceptions, but, as mentioned in the introduction, the issues concerning externalities affect upon members of the organisation are beyond the scope of this study. Likewise, the socialization of new members referred to by Schein (1991; 247) is also beyond the scope of this study.

Van Maanen and Barley (1985) refer to the members of organisations interacting over time and addressing problems cooperatively and that through this, collective understandings form. Although staff in HEIs have a high degree of interaction and problem-solving on a daily basis, Van Maanen and Barley (1985) point out that these collective understandings form on a subgroup level within work organisations. This leads to the operating definition of subcultures used in this study: “a subset of an organisation’s members who interact regularly with one another, identify themselves as a distinct group within the organisation, share a set of problems commonly defined to be the problems of all, and routinely take action on the basis of collective understandings unique to the group”.

When considering the concept of organisational culture, it is often confused with organisational climate. According to Schneider et al. (1994) and Denison (1996) there is a difference. Organisational climate concerns the psychological environment in which the
behaviour of the members of a culture occurs, thus organisational climate is seen as focussing on assessing the perceptions of individuals in the organisations (Jackofsky and Slocum, 1988), whereas organisational culture is concerned with the beliefs, values and norms shared by people in the organisation (see earlier in this section). In this way, this study may be seen as one covering both organisational culture and climate since it includes members’ perceptions of the organisation i.e. a specific situation (Ryder and Southey, 1990). In a nutshell, Snow (2002) refers to climate as how it “feels” to work in a particular workplace or the general atmosphere of the workplace with descriptive beliefs about a situation that has occurred or occurs in an organisation. Therefore climate can be seen as temporal, subjective and subject to manipulation. Organisational culture on the other hand has some degree of roots in history as beliefs, values and norms are developed and shared over time as Denison (1996) claims that culture with roots in history, collectively held and complexity is far less prone to direct manipulation. However, Alvesson and Berg (1992; 88) suggest organisational culture is “the construction of the corporate collective’s pictures of the world”, which seems to be leaning towards perceptions and images in reference to ‘pictures’ whether they are of the world or the organisation. This blurred meaning is highlighted by Denison (1996) when he cites, amongst other examples, that the study by Chatman (1991) of risk taking as an organisational trait was a study into organisational culture, but a similar study into risk-taking by Litwin and Stringer (1968) is seen as a study into organisational climate. Denison (1996) sums up the key problem as one of blurred distinctions, such as whether climate is a shared perception or a shared set of conditions, and finds a solution: rather than focussing on differentiating between the two concepts, “organisational theory might benefit more from explicit integration” (Denison, 1996; 629). Furthermore, this study’s primary research instrument is referred to as the Organisational culture assessment instrument, with no reference to climate, despite being a quantitative tool, which is often associated with climate studies, whereas culture studies are associated with qualitative approaches (Dennison, 1996; 625). Thus, although this study is concerned with perceptions as well as values of members in subcultures, in the interests of integration of two related themes, avoiding misunderstandings and the need to rename a well-used and well-known research instrument, this study will be put under the umbrella of ‘organisational culture’.
3.3 The formation of organisational subcultures

If large, complex organisations resemble the society around them (Gregory, 1983) then the existence of subcultures in society indicates the potential for subcultures in organisations as well (Hofstede, 1998; Martin & Siehl, 1983; Trice, 1993). Early works such as that of Henry Mayhew in the late nineteenth century discovered subcultures in Britain in the form of deviant subcultures and viewed subcultures as ‘those who will not work’, Marx and Engels (1960) used the term ‘Lumpenproletariat’ to describe a segment of the working class. From these beginnings, subcultures have been found in high culture, pop culture, youth culture through to criminal subcultures and, more recently digital pirates and virtual communities. Subcultures may be seen as ‘groupings of values’ (Boisnier and Chatman, 2002; 13). Meek (1988; 198) claimed that organisational cultures are not only created by leaders, but also managed and eventually destroyed by them. This begs the question as to what scenarios are more likely to encourage or discourage the formation of subcultures within organizations.

Parker (2000) claimed that staff identifies with different groups in the organisation and that such groups may be formed on the basis of age, gender or education as well as location, job description and length of tenure. Van Maanen and Barley (1985) propose subcultures see themselves as a group within the institution, share a commonly defined set of problems and act on the basis of collective understandings unique to their group (see the operational definition of subcultures).

Subcultures are also more likely to develop in bureaucratic, larger, or more complex organizations with a wide range of functions and technologies (Trice & Beyer, 1993). Bokor (2000) found that subcultures were identified as: technicians (profession culture); customer oriented parties (market culture); business oriented parties (return culture); and the subculture of small labourers. Through these typologies it can be seen how the different interactions, attitudes, perceptions and values differentiate the subcultures identified in the organisation:

\[\textsuperscript{6}\text{Lit. „rag proletariat”}\]
Table 4: Subculture characteristics in the development process

<table>
<thead>
<tr>
<th>Members</th>
<th>Return Culture</th>
<th>Market Culture</th>
<th>Profession Culture</th>
<th>Small Labourers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Product Managers (Top Managers</td>
<td>Sales (potentially: Customer</td>
<td>Technicians (to some extent:</td>
<td>Invoicing, MIRA, Lawyer, Customer</td>
</tr>
<tr>
<td></td>
<td>[to some extent]; potentially:</td>
<td>Care)</td>
<td>the Lawyer)</td>
<td>Care, Finance)</td>
</tr>
<tr>
<td></td>
<td>Finance)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self portrait</td>
<td>The conducting midfielders</td>
<td>The magic forwards delivering</td>
<td>Libero, defender serving the</td>
<td>Secret talents on the bench</td>
</tr>
<tr>
<td></td>
<td></td>
<td>goals</td>
<td>others</td>
<td></td>
</tr>
<tr>
<td>Perception of others</td>
<td>Skilful gamblers</td>
<td>Over occupied little star alike</td>
<td>Overloaded geniuses somewhere in</td>
<td>Ambitious ballasts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>the building</td>
<td></td>
</tr>
<tr>
<td>Internal – external focus</td>
<td>Intermediate internal</td>
<td>Strong external (customers)</td>
<td>Intermediate external (suppliers)</td>
<td>Miscellaneous (potentially</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>internal)</td>
</tr>
<tr>
<td>Attitude towards risk</td>
<td>Intermediate</td>
<td>Risk taker</td>
<td>Risk avoider</td>
<td>Risk avoider</td>
</tr>
<tr>
<td>Time orientation</td>
<td>Intermediate</td>
<td>Shorter</td>
<td>Longer</td>
<td>Intermediate-longer</td>
</tr>
<tr>
<td>Professional – task orientation</td>
<td>Task orientation</td>
<td>Task orientation</td>
<td>Professional orientation</td>
<td>Task orientation (some professional)</td>
</tr>
<tr>
<td>Professional – business</td>
<td>Business</td>
<td>More business than professional</td>
<td>Professional</td>
<td>Professional</td>
</tr>
<tr>
<td>orientation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Bokor (2000; 7)

According to Nahavandi and Malekzadeh (1988), organisational cultures may be unicultural or multicultural with the latter valuing the existence of subcultures within the organisation. It seems likely that organisations valuing many cultures are more likely to allow subcultures to develop rather than a unicultural organisation which may take steps at preventing them, since it values conformity, unity and having a single dominant culture. Tushman and O’Reilly (1996) characterized subcultures as a combination of ‘tight’ and ‘loose’ meaning that some values were shared across the entire organisation and strongly held (tight) and other values differed in sections of the organisation (loose). It is not clear whether this indicates a combination of unicultural and multicultural approaches depending on the subcultures and the significance of the values but it certainly exemplifies the complexity surrounding the management of subcultures in organisations. In fact, this sounds very much...
like the combination of peripheral and pivotal values proposed by Schein (1985) concerning subcultures and mentioned in the previous section.

Nahavandi & Malekzadeh (1988) claims that resistance to the changing environment that is produced by mergers or acquisitions may produce subcultures, as members subvert to the values of the organisation prior to the merger. Furthermore, conflict arising from mergers takes many forms and according to Trice and Beyer (1993), subcultures may develop due to ideological conflict as may be found in cases of active resistance to change following a merger. Taking the example of mergers, subcultures may also form through dissatisfaction or dislike for their leader, where groups have formed with other individuals in the organisation sharing feelings such as job insecurity, lack of trust in leadership and so on. This is very similar to the subcultures in society with the idea of the dissatisfied ‘underclass’ and gang cultures or punks resenting their lack of prospects or feeling confused or under threat. The willingness to become part of a subculture is referred to by Boisnier and Chatman (2002) when they suggest three criteria which are conducive to subculture formation: 1) structural properties; 2) group processes; and 3) individual’s propensity to form and join subcultures.

When considering the impact of mergers on organisational culture, acculturation can result in a balanced merging of two groups and is considered in the context of minorities and the process of learning the dominant culture. The dominant culture influences the direction of the cultural change to a greater extent than the weaker or subordinate group (Berry, 1980). Theories on acculturation are used to describe organizational cultures about to merge and when considering two cultures where one is dominant, the other can be considered a subculture. According to Berry (1980: 211-279), there are four options (or sometimes called strategies): assimilation, separation, integration and marginalization. Each of these indicates the extent to which one culture has blended with the other. When considering acculturation as a means of subculture formation there are a number of factors affecting the mode of acculturation, including strength of subculture, dominance of one subculture over the other, level of interaction, level of attraction to the subculture and whether acculturation is forced or not.

Hatch (1997) claims organizational subcultures may be based on a variety of factors such as: task interdependence; reporting relationships; proximity; design of offices and work stations; and sharing equipment and facilities. Beyond this list, demographic differences, professional
interests and affiliations, informal groups and performance-related distinctions may be causal factors (Jermier, Slocum, Fry & Gains, 1991; Trice & Beyer, 1993). Berscheid (1985) indicated that the ‘similarity-attraction paradigm’ may be a causal factor in subculture formation. Boisnier and Chatman (2002) saw teamwork as the means by which a set of values may develop in line with the requirements and needs of the team regardless of the values of the larger organisation.

Helkama et al. (1998) point out that the model representatives in the group have a powerful influence on the formation of norms, at least moreso than other members of the subculture. This may in turn affect the size of the subculture in conjunction with the ability of subculture members and more notably model representatives to recruit new members. Likewise, maintaining the existence of subcultures can be affected by the social identity which acts as a binding force for the group (Levi, 2001).

As a final note, Parker (2000) claims that subcultures within one organisation may in fact feel more unity with a corresponding unit in another organisation rather than the dominant culture of its own organisation depending upon how they see their own role and significance in the organisation.

3.4 Types of organisational subcultures
Martin and Siehl (1983) categorised organizational subcultures into enhancing, orthogonal, and counter cultures. Within the context of Shein’s pivotal and peripheral values this subculture typology indicates a co-existence of subcultures within an organisation without detriment to the dominant culture and its core values. In enhancing subcultures, members adhere to dominant organizational culture values enthusiastically, with both pivotal and peripheral values being consistent with the larger organization’s core values. In orthogonal subcultures members uphold the dominant cultures’ values as pivotal values, but they also have their own set of distinct, but not conflicting, peripheral values. The third type is the counterculture. In a counter culture, the members reject the core values of the dominant culture and have peripheral and pivotal values contrary to core organizational values. In this study, the perceptions that subcultures have of themselves as enhancing, orthogonal or a counterculture will be examined in relation to other subcultures as well as the market-orientation. This typology of subcultures can be seen in higher education, as according to
Martin and Siehl (1983; 53), an orthogonal subculture was found in faculty as they ‘simultaneously accept the core values of the (institution) and a separate, unconflicting set of values particular to themselves’. Kuh and Whitt (1988; 50) proposed that in higher education there may be “conforming (enhancing) or orthogonal enclaves, such as the faculty senate, that may challenge aspects of the dominant culture”.

Hatch (1997) presents a slightly modified view of subculture types as they are seen on a scale of increasing diversification rather than as three concrete types, as can be seen in the following figure:

Figure 4: The diversification of subcultures

As can be seen in the figure, a unitary culture refers to the integration or unitarist perspective of Martin (2002) with a single monolithic organisational culture. An integrated organisational culture is when the enhancing subcultures are a part of the overall dominant organisational culture which may be seen as a combination of the integration and differentiation perspectives of Martin (2002). The slightly differentiated organisational culture refers to a collection of both enhancing and orthogonal subcultures, with varying combination of peripheral and pivotal values and still takes a combination of the integration and differentiation perspectives of Martin (2002). A significantly differentiated culture refers to no enhancing subcultures and only orthogonal or counter subcultures. The subcultures may be heterogeneous (a differentiation perspective), but there is still the existence of a dominant culture as well. In the disorganised form of organisation, there is no dominant culture and subcultures have no common values, which takes the fragmentation perspective of Martin (2002). Hatch’s (1997)
work not only serves to support the possibility of a multi-perspective approach to research into organisational culture but also entertains the idea that the cultural map of an organisation could be one of a number of possible combinations with varying degrees of common peripheral and pivotal values for enhancing and orthogonal subcultures, countercultures, a dominant culture and fragmented sections of ambiguity and uncertainty.

Yeung et al. (1991) found clusters of cultures within a single firm and developed typologies based on these culture types as follows: the ‘group culture’ is a subculture with a high degree of commitment, loyalty and tradition (‘employee-oriented culture’, Hofstede, 1990); the ‘hierarchical culture’ has a large number of professional rules and policies (‘profession-oriented’, Hofstede 1990); the ‘rational culture’ puts a focus on the accomplishment of tasks and goals (‘task-oriented’/ ‘results-oriented’, Hofstede, 1990); and the ‘developmental culture’ has a strong commitment to innovation and development (‘innovation-centred’, Hofstede, 1990). This list of four typologies is not exhaustive and should not be seen as discounting the concepts of pivotal and peripheral values, as each of them may contain the aspects required to become one of three typologies put forward by Schein (1985). For example, the value of commitment, loyalty and tradition of the group culture could be the pivotal values of the subculture and it may have other peripheral values which are in contrast to the overarching values of the dominant culture. However, this does indicate another means by which subcultures may be classified. In contrast with this, Alderfer (1987) finds two types of groups in organisations; organizational groups (based on tasks, hierarchy, location etc); and identity groups (based on birth, race, gender, social origins etc). Salk (1989) adds a third group referred to as the associational groups (based on external associations such as political party, educational and professional group memberships).

Merton (1957) characterizes different behaviours of staff members as part of their role sets and in connection with this, role expectations and norms appear. An example of this could be that of a teacher in an HEI who is part of an occupational group with a strong orientation towards research and learning and whose expectations are constrained by local government and the Ministry of Education. Likewise a female teacher may have role expectations associated with gender or marital status despite being in a professional context. This seems to indicate that typologies may be far more complex than a simple three or four groupings and that there are possibilities for overlap as mentioned earlier when referring to subculture boundaries.
When considering typologies of subcultures, those used for organisational culture may also be applied. For example, the question of whether a culture is strong or weak, soft or hard, formal or informal, could also be examined in the context of subcultures in relation to other subcultures or the overall dominant culture within an organisation (Boisnier and Chatman, 2002). These aspects will be considered in the following section.

3.5 Organisational culture in higher education

Pushnykh and Chemeris (2006) claim there are significant differences between ‘for profit’ companies and organisations in higher education. Birnbaum (1989) distinguished the universities as: less differentiation of the working processes (e.g. a professor, associate professor and assistant lecturer carry out the same teaching roles); narrow specialisation of members; developed professional hierarchy rather than a structural one; weak interdependency among subdivisions e.g. departments, institutes; limited capacity to influence the ‘raw material’ quality (enrolled students); and limited accountability and transparency on both an individual and organisational level. Kezar (2001; 6) lists the unique features of HEIs in relation to them being key considerations for organisational change as: an interdependent organization; relatively independent of environment; unique culture of the academy; institutional status; values-driven; multiple power and authority structures; loosely coupled system; organized anarchical decision-making; professional and administrative values; shared governance; employee commitment and tenure; goal ambiguity; and image and success.

When Handy (1976; 185) describes culture as “something perceived, something felt”, it comes as no surprise that, depending on who is asked, different views or understandings of HEI culture appear. A student’s perspective of HEI culture may be: “it’s everything we aren’t tested on in the classroom” (Van Maanen, 1987; 5). Becher (1984; 167) in his extensive study of academic culture put forward the definition of culture in an HEI context as “the traditional and social heritage; their customs and practices; their transmitted knowledge, beliefs, law and morals; their linguistic and symbolic forms of communication, and the meanings that they share”. Kuh and Whitt (1988; 28) define culture in higher education as “the collective, mutually shaping of patterns of norms, values, practices, beliefs and assumptions that guide the behaviour of individuals and groups in an institute of higher education and provide a frame of reference within which to interpret the meaning of events and actions on and off campus”. Riesman and Jencks (1961; 132) highlight the uniqueness of HEIs and that,
although related to national academic models, institutions within each country may “draw on different publics” and have “quite different flavours”. Such diversity and complexity may indicate the need for a case study approach.

When considering HEI culture in general, the levels of culture have some distinctions. Stories may provide particular information about an HEI but certain characteristics have been found in studies to be similar between different institutions (Martin et al. 1983), such as written histories of colleges placing the founders on a pedestal and the difficulties experienced in the development of the college to its current state (Clark, 1972). Although myths may abound amongst students, the student culture is not a part of this study. On the second level of culture, according to Clark (1983) there are four values in the context of HEIs: justice, competence, liberty and loyalty. Kuh and Whitt (1988; 40) claim that most institutional values are unconsciously expressed as certain themes such as academic freedom or are related to a certain context connected to the HEI’s well-being (Riesman and Jencks, 1961). On the third level of culture, it is conceded by Kuh and Whitt (1988; 42) that the existence of subcultures in HEIs provide a significant challenge to the mapping of core assumptions.

Silver (2003; 161) found that institutional culture may be seen by members as a culture of research, a culture of tension or conflict, and cites the work of Taylor (1999) as highlighting the conflicting nature of HEIs. Silver (2003) also mentions the contrast of a sense of community and the competing aspects of academic staff as part of the complexity of HEI culture. Riesman and Jencks (1961) referred to the complexities of culture in higher education when referring to not only the HEI, but also the student and faculty cultures as well as other subgroups (Riesman and Jencks, 1961: 105). This complexity is one of the distinguishing features of HEI cultures and as Dill (1982) mentions, higher education organisational cultures are differentiated from others because of their greater complexity. According to Clark (1987), such cultures are extremely fragmented into what Clark refers to as ‘small worlds’, as illustrated in the following figure:
It is within this complex framework that Valimaa (1998) noted the existence of subcultures. Becher (1989) refers to this framework as ‘academic tribes and territories’ with each subculture acting as an ‘academic tribe’ competing with other ‘tribes’ to maintain their territory and survive. Lawrence (1994; 26) highlights that “higher education researchers recognize that college and university faculty are members of multiple cultures, each having its own set of normative expectations for their behaviour and productivity”.

Although it seems organisational culture in HE is not likely to be monolithic and homogenous, cultural typologies in higher education may serve to indicate possible typologies of the more dominant culture or subcultures in this study. Handy (1993: 188) describes types of cultures in terms of influence and power and categorises the types as follows: Power culture, Role culture, Task culture and Person culture. Handy (1993: 196) also refers directly to universities as traditionally having a role culture but that professors see themselves as part of person culture. Based on Handy’s ideas, Anderson, Carter and Lowe (1999: 128) point out that as Higher Education Institutions become more ‘corporatized’, they tend to become power cultures (under centralized control) or task cultures (when departments are dismantled and faculties are transformed into ad hoc research or instructional units). Mullins (1999: 804) argues that the person culture is prevalent among doctors, consultants and university
professors. As such individual traditions, along with identities are a real social force in higher education and often cited as a reason that HEIs have inertia to change (Valimaa, 2008: 18).

Berquist and Pawlak (2008) revised their existing four types of culture in HE (Berquist, 1992), namely the Collegial, Managerial, Developmental and Advocacy types, and expanded the model to six types:

- **Collegial.** This type of culture identifies itself in the disciplines and so values faculty research, scholarship and quasi-political governance processes. Assumptions prevail about the dominance of the rationality with the organisation existing for the generation, interpretation and dissemination of knowledge (Berquist and Pawlak, 2008: 15);
- **Managerial.** This culture type focuses on the organization, implementation and evaluation of work with a specific goal or purpose in mind as well as a focus on fiscal responsibility and supervisory skills. This culture might be reflected in the organisation of this case study as much attention is paid to giving students a practice-oriented course to make them more marketable with employers and as Bergquist & Pawlak (2008: 43) point out, this culture values cultivating knowledge, skills and attitudes amongst students to encourage success in their careers;
- **Developmental.** This type is based on the personal and professional growth of all human resources (faculty, administrators, staff, and students);
- **Advocacy.** This type values the equitable distribution of resources and has as a consequence the possibility that inequitable distributions may lead to increased unionization of employees;
- **Virtual.** The virtual culture is an open system and has no physical presence, structures or borders since it involves the internet and other related technologies
- **Tangible.** According to Kokt (2010) this is the culture type that typifies universities in the 21st Century. It upholds traditional values and the importance of its role in the community with an emphasis on standards and quality.

Not only do these six types highlight possible outcomes for research into HEI cultures but also the shift from 4 to 6 types represents the impact of global external forces in creating new dynamics and phenomena. McNay (1999) puts forward a typology of HEIs as collegium, bureaucracy, enterprise or corporation. However, due to the evidence to indicate complexity
in the cultures of HEIs, it would seem that these models are too broad and too simplistic to show the range of heterogeneous / homogenous cultures found in HEIs (De Zilwa, 2006; 560).

Since many HEIs are steeped in history, with unchanging traditions and members with long tenures, whatever form the organisational culture may take, it is likely to be strong. According to Nahavandi and Malekzadeh (1993: 19), there are three elements to a strong / weak culture: the ‘thickness’ of the culture which refers to the number of shared beliefs, values and assumptions; the proportion of organizational members who share in the basic assumptions, which means the more shared assumptions, the stronger the culture); and finally, the clarity of the order of values and assumptions in terms of which are major and which are minor. Minor ones are more easily changed. A larger number of clear shared assumptions is more likely in organizations where members have been there for a considerable period of time, such as long-standing university professors and administrative staff in the public sector. Whilst a strong culture might provide a strong sense of identity and clear behaviours and expectations, it is also more prone to resisting change. An examination into the strength of the organisational culture is beyond the scope of this study.

3.6 The post-merger HEI
The organisation used for this study underwent a merger in 1999/2000 and the following section serves as background for the organisation as well as indicating some potential outcomes in relation to organisational culture and perceived market orientation.

Nahavandi and Malekzadeh (1993) bring to light three stages that take place during the merger process. The contact stage occurs during the pre-merger stage dealing with various aspects such as legal and strategic issues. Some conflict is likely. The conflict stage occurs during the pre- and merger stage. There is more potential for conflict and a closer relationship between the organisations. During the pre-merger stage the selection of the right partner (Bijlsma-Frankema, 2001; Cartwright & Cooper, 1993; Lee Marks, 1997; Lynch & Lind, 2002) is crucial. At the post-merger stage the effect of an erroneous selection of a partner appears, as can be seen in the Proxy Statement of Daimler-Chrysler:

“… the integration of two large companies...with different business cultures and compensation structures, presents significant management
Many mergers of Higher Educational Institutions have collapsed at this stage due to conflict, such as UWIC and Glamorgan University, University College London and Imperial College, Bradford University and Bradford College, to name but a few. In the hope of avoiding such conflicts, a cultural audit is often undertaken (Cartwright and Cooper, 1993; Huang and Kleiner, 2004) to consider the ‘cultural distance’ between two firms and human resources planning (Schreader & Self, 2003). For the organisation used in this case study, the three colleges had been working together for a number of decades prior to the merger and with two of the colleges the cooperation dates back much further. The issue of cultural differences and ‘cultural fit’ has developed into a hot topic in the case of mergers (Chatterjee et al., 1992; Lynch & Lind, 2002; Trompenaars & Wooliams, 2000; Weber, 1996). This refers not only to the integrating of national cultures but the integrating of two corporate cultures in a merger: Nahavandi and Malekzadeh (1988) claim that cultural integration requires intense contact between members in two or more merged organisations. Shreader and Self (2003: 511) refer to culture as ‘the make or break factor in the merger equation’. The effects of culture clashes can be extensive and far-reaching such as low levels of commitment, trust, cooperation and a loss of productivity (Weber, 1996). In the organisation of this study the college cultures may be considered as similar prior to the merger as they are in the same field with similar courses and branches of knowledge, but when considering the integration side, the difference in location is likely to have resulted in some lesser degree of integration than would have been achieved with the relocation of all the colleges to one campus, despite the implementation of a matrix structure. However, this does not mean that the cultures have to be similar or the same, which could be foreseeable in the case of merging HEIs, but rather the cultures need to be complementary (Buono, Bowditch and Lewis, 1985, Cartwright and Cooper 1993). Vaara (1999; 3) points out that there are many issues lacking in the consideration of the culture of post-merger organisations such as: “disregard of cultural differentiation, fragmentation, inconsistencies and ambiguities; lack of understanding of cultural permeability and embeddedness in the environment; overemphasis on abstract values and lack of attention to organisational practices; overemphasis on initial structural differences and lack of attention to the new cultural layer; lack of recognition of the political dimensions and failure to recognize cultural differences as a source of value and learning”. Hence the need to mention the post-
merger aspect in this study as it is concerned with the assessing organisational culture of a post-merger HEI.

In order to get an overall picture of mergers in Higher Education, a sample of international cases has been chosen as a means of discovering some of the potential outcomes of mergers in higher education. The choice of cases for the sample was based on accessibility and cost and from each case, the outcomes given were listed. The findings are summarized in the following table:

Table 6: The outcomes of mergers in higher education

<table>
<thead>
<tr>
<th>Institution</th>
<th>UCC / CCE</th>
<th>Telemark Colleges (4)</th>
<th>TVU / RC</th>
<th>LGU / UNL</th>
<th>HAC/NCAE /MIHE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country</td>
<td>New Zealand</td>
<td>Norway</td>
<td>UK</td>
<td>UK</td>
<td>Australia</td>
</tr>
<tr>
<td>New name</td>
<td>University of Canterbury</td>
<td>Telemark University College</td>
<td>Thames Valley University. (Reading Campus still called Reading College)</td>
<td>London Metropolitan University</td>
<td>University of Western Sydney</td>
</tr>
<tr>
<td>Forced / Voluntary</td>
<td>Forced</td>
<td>Forced</td>
<td>Forced</td>
<td>Voluntary</td>
<td>Forced</td>
</tr>
<tr>
<td>Dominant / equals</td>
<td>UCC Dominant</td>
<td>Roughly equal terms</td>
<td>Dominant (TVU)</td>
<td>Roughly equal terms</td>
<td>Roughly equal terms</td>
</tr>
<tr>
<td>Strength of culture</td>
<td>Strong / strong</td>
<td>All strong</td>
<td>Strong (TVU) / weaker</td>
<td>Strong / strong</td>
<td>Strong / strong / strong</td>
</tr>
<tr>
<td>Location</td>
<td>One site – UCC</td>
<td>Multi-campus (distance: 20-180km)</td>
<td>Multi-campus</td>
<td>Two sites (close)</td>
<td>Multi-campus</td>
</tr>
<tr>
<td>Effect on staff</td>
<td>Lack of trust, job insecurity, exit behaviour, disillusionment, bereavement.</td>
<td>Little social integration, collaboration. High level of insecurity despite no restructuring</td>
<td>Concern by RC staff. Loss of identity Dual system was problematic: culture clash, lack of clarity of job roles</td>
<td>Despite flatter structure, most staff held onto jobs. Loyalty to old institution</td>
<td>More than 100 staff made redundant.</td>
</tr>
<tr>
<td>Leadership</td>
<td>Loss of role model - CCE leader seen as a puppet.</td>
<td>No change</td>
<td>Loss of role model (RC)</td>
<td>Retention of role models. Two heads for an interim period.</td>
<td>Retention of role models for some time.</td>
</tr>
<tr>
<td>Time to complete</td>
<td>Ongoing</td>
<td>After 4 years, little progress.</td>
<td>Ongoing.</td>
<td>Merging of cultures: 5+ years.</td>
<td>Ongoing.</td>
</tr>
</tbody>
</table>
The table serves to show that within post-merger HEIs the process of merging is a lengthy one that takes place over many years, especially in the cases where locations have remained unchanged. However, that does not necessarily mean that in every case the acquired institution remains as a distinct subculture in the post-merger HEI. Conroy and Sipple (2001) conducted a study of a merger of two programs at Cornell University and the result was one single program where all members shared experiences and perceptions, developing into a new frame of reference shared by all members of the previously separate programs held in different locations. This does not necessarily mean that mergers on a grander scale such as between large institutions could experience the same transformation, but as Conroy and Sipple (2001) claim, there is a possibility for convergent thinking based on shared experiences, as seen in the following figure showing the process for convergent thinking occurring in a merger.
In a post-merger context, leadership plays a role in reconciling the old with the new and moving forwards. For example, the leadership may choose to: unite all the followers with one shared homogenous culture; replace elements of the old culture; reconcile diverse interests of subcultures; or maintain the existing culture (Bligh, 2006; 404). Within each of these different scenarios, the organisation will develop into a distinct form or map. When considering culture and leadership, Cameron and Quinn (2006; 80) point out that it is a question for both management and leadership if culture is to be strengthened, maintained, changed or created. However, an analysis of the leadership impact during the merger and post-merger are beyond the scope of this study.
In a post-merger HEI the outcomes are seen as modes of acculturation. Acculturation is the ‘exchange of cultural features that results when groups of individuals having different cultures come into continuous first-hand contact: the original cultural patterns of either or both groups may be altered, but the groups remain intact’ (Kottak, 2005: 209, 423). Although acculturation can result in a balanced merging of two groups, it is usually considered in the context of minorities and the process of learning the dominant culture. The dominant culture influences the direction of the cultural change to a greater extent than the weaker or subordinate group (Berry, 1980). As mentioned earlier in the section concerning the formation of subcultures, Berry (1980: 211-279) presents four options (or sometimes called strategies): assimilation, separation, integration and marginalization, with each indicating the extent to which one culture has blended with the other. Nahavandi & Malekzadeh (1993) describe the four modes as: assimilation is when one of the merged organisations willingly adopts the practices, procedures and business philosophies of the other organisation and thus becomes totally assimilated; integration is when both parties keep their cultural identities. Assimilation takes place to some extent from a legal and financial perspective, but cultural freedom is endorsed. A mutual learning process occurs regarding cultures; separation occurs when the organisations want to maintain independence and any attempt of intervention to operational or cultural issues is rejected. There is no willingness for any level of assimilation and no cultural change takes place due to a lack of contact; and finally, deculturation is when no intention of adaptation is shown and this results in significant levels of conflict and stress are all over the organization.

According to Nahavandi & Malekzadeh (1993), the strength of the culture and the attraction of the acquirer (dominant) organisation to the acquired firm can dictate the mode of acculturation for the acquired firm. If there is a high attraction to the acquirer (or dominant organisation in a merger), a weak culture will experience assimilation, a strong culture on the other hand will experience integration. If there is low attraction to the acquirer, then a weak culture will experience deculturation and a strong culture will experience separation (Nahavandi & Malekzadeh, 1993; 66). For the organisation used as a focus for this study, the attraction is not entirely clear. The merger was forced upon the organisation by government and each college has far less to gain from the merger as opposed to a small college merging with a much larger university as all three are similar in size. However, the three colleges have been cooperating together well for a considerable time, which may indicate that a merger is not seen as an entirely unattractive proposition. Acculturation modes are also affected by
whether an organisation is multicultural or unicultural and the degree of relatedness of the merging organisations. If the degree of relatedness is considered ‘related’ between the merging organisations and the culture is unicultural then assimilation will take place, if the culture is multicultural then integration will occur. Conversely, if the degree of relatedness is deemed ‘unrelated’ between the organisations, a unicultural culture will experience deculturation and a multicultural culture separation (Nahavandi & Malekzadeh 1993; 67). The degree of relatedness in mergers in higher education is more often than not highly related, as the institutions are both involved in education, albeit with perhaps different courses, a different segment of the market (e.g. accounting students and engineering students) and varying in relative size. Thus, with a related merger the mode of acculturation may be either assimilation or integration. As the cultures of higher education institutions are deeply fragmented, they can be referred to as plural organisations. However, this does not necessarily indicate that the organisation is multi-cultural. If the various cultures are valued in the organisation, then the organisation is considered multicultural (Nahavandi & Malekzadeh, 1993; 68) and the potential outcome would be integration. The forces affecting the outcome for organisational culture after a merger can be seen in the following figure concerning the outcomes (or state of equilibrium) of a merger in relation to opposing forces for differentiation or integration (Elsass and Veiga, 1994; 440):-

Figure 7: A model of acculturative dynamics

Source: Elsass and Veiga (1994; 440)
Within the context of higher education, as mentioned earlier, there are many forces for cultural differentiation and yet for the organisation of this study the introduction of a matrix structure and increased interaction thereby, could be a force favouring organisational integration. With strong forces for differentiation, it seems that the only two outcomes from this model could be separation or acculturative tension. However, Elsass and Veiga (1994; 449) point out, the acculturation outcome is still subject to change. The performance of the organisation following the first outcome of acculturation may cause a further change in the acculturation mode as can be seen in the following table:

Table 7: Predictions of changes in acculturation modes as a result of changes in post-acquisition performance

<table>
<thead>
<tr>
<th>Initial acculturation mode</th>
<th>Acculturation mode if subsequent performance of the organisation significantly:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Improves</td>
</tr>
<tr>
<td>Assimilation</td>
<td>Integration</td>
</tr>
<tr>
<td>Separation</td>
<td>Separation</td>
</tr>
<tr>
<td>Deculturation</td>
<td>Deculturation or movement toward separation</td>
</tr>
<tr>
<td>Acculturative tension</td>
<td>Movement toward separation or assimilation</td>
</tr>
<tr>
<td></td>
<td>Declines</td>
</tr>
<tr>
<td>Assimilation</td>
<td>Acculturative tension or movement toward separation</td>
</tr>
<tr>
<td>Separation</td>
<td>Acculturative tension</td>
</tr>
<tr>
<td>Deculturation</td>
<td>Movement toward assimilation</td>
</tr>
<tr>
<td>Acculturative tension</td>
<td>Acculturative conflict</td>
</tr>
</tbody>
</table>

Source: Elsass and Veiga (1994; 449)

For this study, the HEI is beyond the post-merger stage, however if mergers take more than 7 years to fully assimilate the culture, and location is a significant barrier, then it could be said that this organisation is still undergoing acculturation especially, if as in the above figure, further acculturation outcomes may be possible upon changes in performance after the initial acculturation mode.

### 3.7 Factors influencing subculture formation in HE

Section 3.3 presented a generalist view of subculture formation and now this section will present the factors specifically related to the context of this study i.e. higher education institutions.

According to Tierney (1988) there may be numerous subcultures in a university or college and the basis could be: managerial; discipline-based faculty groups; professional staff; social groups of faculty and students; peer groups (by special interest or physical proximity); and location (offices arranged by discipline). However, that is not to say that all factors are found
in all institutions with a plethora of emergent subcultures. Taking one example, location may be a limiting factor of who talks with each other, but that does not necessarily mean that such behaviours are related to assumptions and values about the culture or subculture (Kuh & Whitt, 1988; 27). The relative importance of each in shaping subcultures is somewhat contested. Becher (1989) asserts that disciplinary cultures are the key to HEI cultures. Valimaa (1998) reinforces this with findings that disciplinary differences affect many areas of academic life such as modes of interaction, lifestyle, career paths, publishing patterns, and so on. Thomas et al. (1990) even asserts that disciplinary differences outweigh gender differences.

Disciplinary cultures were first examined by Becher (1989) and have been use as a basis for research in many cases since that time (e.g. Snow, 1993; Collini, 1993). Becher (1989) indicates that disciplinary cultures are differentiated according to knowledge and classifies the cultures into four categories: hard, pure, soft and applied knowledge. These disciplinary cultures are also found by Becher (1989) to be either socially convergent or divergent. It is this study that led Quinlan and Akerlind (2000) to the introduction of department culture as a concept. Disciplinary cultures not only indicate the potential for the formation of subcultures but also indicate the ranking of staff, or ‘pecking order’ with the basis being hard-pure, soft-pure, hard-applied and soft-applied. (Becker, 1987). According to Becher (1989: 57), the theoreticians are ranked highest with staff involved in practical, soft and applied disciplines ranked lower. However, Becher (1989) also points out there may be subgroups according to specialisation and that within disciplines and specialisations there may in fact be some overlap. Subgroups within disciplines include women faculty, minority faculty and part-time faculty (Bowen and Schuster, 1986). Becher (1984, 1989) focussed on these sub-specialisations as a unit of analysis. Sanford (1971, 359) refers to rules being held in faculty culture so that only specialists in a given field are permitted to discuss in conversation and present their ideas concerning the specialisation and thus other faculty should defer to the specialists. This sense of boundaries seems to be only transversal by administrative and library staff who, lacking academic credibility are actually interdisciplinary (Berquist, 1992; 41). Freedman et al. (1979: 8) described HEI culture according to the faculty as ‘a set of shared ways and views designed to make their (faculty) ills bearable and to contain their anxieties and uncertainties’. Finkelstein (1984; 29) saw the main components of faculty culture as: teaching, research, student, advisement, administration and public service.
There are some patterns that emerge in faculty cultures in terms of the values expressed. Kuh and Whitt (1988: 76) claimed that the core value of faculty was the pursuit and dissemination of knowledge. Sanford (1971) claimed that faculty cultures encourage a focus on specialization within a given discipline and through this, subcultures are created. Bila and Miller (1997) discovered that faculty perceived themselves to be isolated from the general public, under-appreciated, and true and honest; Junior faculty felt overwhelmed with responsibilities, and exploited; Senior faculty saw themselves to be survivors, with a certain degree of radicalism and seeing too high an emphasis placed on external activities. Bila and Miller (1997) found that similarities do exist between institutions, as well as that power was found to be somewhat related to tenure and rank, confirming the findings of Berquist (1992).

Departmental subcultures have been developed as a concept which could be seen as subgroups of the faculty cultures (Quinlan and Akerlind, 2000). If employees are acculturated into various subcultures within organisations, then the factors affecting acculturation could also be applied to subcultures. Acculturation is the “exchange of cultural features that results when groups of individuals having different cultures come into continuous first-hand contact: the original cultural patterns of either or both groups may be altered, but the groups remain intact” (Kottak, 2005; 209; 423).

For an HEI the strength of the culture can be seen to some extent in its traditions. Traditions play a large role in the formation of a culture and subcultures in HEIs, be they traditions of the individual or those of the discipline, department, faculty or institution. Since many HEIs are steeped in history, with unchanging traditions and members with long tenures, a strong culture is likely to prevail. If higher levels of interaction are seen as a means of becoming assimilated into a subculture, then faculty can be considered according to an unusual mix of high levels of autonomy and interaction. According to Tierney (2008: 35) when referring to HEIs “…on the one hand, they are organisations with highly autonomous workers – the faculty. And yet, on the other hand these autonomous workers assume a great deal of voluntary work in their organisational and professional lives, a fact which binds them together”. Thus, there is a tension between autonomy and interaction through certain work groups and projects. Bourdieu’s work (1988) is cited by Naidoo (2008: 47) as: “the field of higher education is in fact not a product of total consensus but the product of a permanent conflict…with agents and institutions improving or defending their positions in relation to others”, indicating perhaps a pluralist perspective of organisational culture with competing heterogeneous subcultures.
The external environment may also affect the culture of HEIs, and thus in turn the subcultures and their formation (Tierney, 1988). For an HEI the areas of knowledge and skills are determined externally to a large extent especially when accreditation is a central concern. Ruscio (1987; 353) points out “faculty subcultures have institutional as well as disciplinary foundations”. Local or regional issues may also affect the HEI culture as many of those employed and studying come from the host country or region, perhaps more so in the case of institutions in Hungary where the Hungarian language is not widely spoken outside its borders. Institutions may also have a ranking and reputation which in turn affects how the organisation is seen and how members see themselves in relation to the organisation. Riesman and Jencks (1961) refer to this as the institutions having a place in the economic elite – the have and have-nots.

Trice (1993) maintains that subcultures form according to occupation, as when members interact with one another differently than with people in the culture at large, then occupational subcultures form. Trice (1993) also claims that occupational subcultures also may arise if members of an occupation work in very close cooperation with one another but not with members of other occupations. Trice (1993) argues that the most important of the occupational subcultures is that of managers and administrators because of its impact on many other occupational subcultures. For example, the importance of the managerial subculture has resulted from its prominence in the bureaucratic organization. In fact, Trice makes a significant division between managerial and non-managerial subcultures citing competition between non-managerial subcultures based on their relative strengths and heightens the importance of technology as a means of enhancing occupational skills and thereby the strength of the occupational culture, such as the academic profession subculture referred to earlier.

When considering the likelihood of formation of subcultures in higher education, there seems to be a combination of characteristics with some encouraging and some discouraging subculture formation. The decentralization of power makes an organisation more susceptible to subculture formation as found by Martin and Siehl (1983) with DeLorean’s counterculture at General Motors. Prior to this, Hage and Aiken (1967) linked decentralized power with professional activity and hierarchical differentiation, which may be likened to HEIs where power is very much centralized, there is professional activity such as research and publication
and distinct hierarchical differences in status, prestige and reputation. However, not all power is centralized as in the case with the autonomy allowed to teaching staff, as can be seen in the following comments:

“The scholar wants to be left alone in the conduct of the academic enterprise. He does not welcome innovation in instructional procedures, in instructional arrangements, or in the organization and operation of a college or university. . . The scholar is a conservative in his attitude towards and appreciation of the academic process.” Millett (1962; 104)

“We cannot help but be struck by the virtual right so many academics seem to possess to go their own way, simply assuming they can do largely as they please a good share of the time, all in the nature of rational behaviour.” Clark (1987; 148).

However, if the scholar ‘wants to be left alone’ then this would indicate a low level of interaction with colleagues / subculture members which in turn could prevent the formation of subcultures. Cohen (1955) claims subcultures form through interaction and building relationships. When individuals work together on a task, subcultures may also form (Trice & Beyer, 1993).

Faculty experiences substantial (if not complete) professional autonomy, and there is also a tendency toward long tenures. Autonomy appears to indicate a freedom to work and develop one’s own way of working. Clark (1963) and Ruscio (1987) highlight that differences in mission and commitment affect faculty member behaviour as well as institutional size and complexity, as larger and more complex HEIs are likely to have more subcultures rather than one unified culture (Clark, 1963; 139). The administrative structures also shape faculty subcultures (Ruscio, 1987; 355), especially when considering decision-making and governance. Clark (1963) groups faculty members as: teacher, scholar-researcher, demonstrator and consultant, each with varying levels of identification with the institution and commitment to the organisation.

Bourdieu (1988) mentions one important issue with regard to autonomy in HEIs, which is that “the relative autonomy of fields varies from one period to another, from one field to another and from one tradition to another” (cited in Naidoo, 2008: 46). Thus it seems possible that as
levels of autonomy vary between fields, subcultures may also appear more distinctly in certain fields.

Van Maanen and Barley (1985) approach the factors affecting formation of subcultures as a number of situations conducive to subculture formation and each of these factors will be considered in relation to higher education and the organisation that is the focus of this study:

- **Importation.** In this case, an acquisition or a merger can introduce new subcultures, as well as importing new occupation, which may bring different mixtures of subgroups, levels of interaction and problem-solving. Just over a decade ago, the organisation in this study underwent a merger, indicating a potential for subcultures.

- **Technological innovation.** Barley (1986) points out that technical advancement does not always lead to alienation but can also positively change role structures. The organisation has in the past five years undergone some changes such as changing from a system using reports books, which has to be signed for each student for each subject every semester to a computer based system. Such innovations might create subcultures with the desire for employees for ‘the good old days’ or other subcultures that see the organisation as being up-to-date and moving with the times, or rising to the challenge of the global market or local competition, for example. Roberts (2008: 2) reinforces this in her paper developing a strategic change process specifically to deal with resistance to change when introducing new technology in higher education: “….the move toward implementing technology in higher education is driven by an increasing number of competitors as well as student demand, there is still considerable resistance to embracing it”.

- **Ideological differentiation.** Subcultures may arise with competing ideologies. In a higher education context, Winter (2009: 123) highlights the differentiating ideologies and their impact upon (sub)cultural values in the context of a market orientation: “As higher education institutions contrived themselves in market-oriented, utilitarian terms in response to an altered economic environment of public funding constraints, user-pays principles, full-fee paying courses and research directly tied to business needs, academics internalised business-related values and profit-making ideals” (Henkel, 1997; Slaughter & Leslie, 1997; Winter & Sarros, 2002). Thus, it seems that in a
higher education context, the very introduction of a market orientation may cause a split between different ideologies, resulting in the formation of subcultures. In fact, Winter (2009: 123) continues by citing Deem, Hillyard & Reed (2008) that the transformation of identity in higher education is based on the ideology of economic and managerial concepts, which have reshaped institutions in higher education.

- **Counter-cultural movements.** Van Maanen and Barley (1985) assert subcultures could form as staff rejects existing subgroups or feel rejected through blocked ambition, poor training, inadequate rewards, impersonal management or inadequate resources, which may in turn lead to rituals of resistance. This point seems to overlap with other factors listed here, as blocked ambition due to career filters could cause a dissatisfied counterculture and rejecting existing subgroups could be related to importation and issues related to culture-fit. Inadequate rewards and resources may indeed be an impetus for the formation of subcultures in higher education institutions in Hungary as funding is decreased and student numbers drop due to changes in funding to students as well, which in turn may affect the availability of resources in the organisation. Nahavandi and Malekzadeh (1988) claim that for organisational cultures to complete the process of acculturation after a merger, it may take around 7 years. It would be false to assume that the acculturation process is complete for the organisation as the acculturation process depends on other factors such as the level of interaction and conflict as well as barriers to integration such as the organisation being based in a variety of locations. Therefore, the subcultures identified in this case study may not necessarily be the state of the organisational culture following completion of the acculturation process.

- **Career filters.** Ambiguity due to uncertain performance criteria may lead to rejection by existing members of the organisation’s values. Batterbury (2008) in a study of the academic tenure system of the USA claimed that tenure maintained a split between tenured, untenured and non-tenured track staff, which would seem to indicate the potential for subculture formation through career filters. In the organisation of this case study, teaching staff with or in the middle of PhDs have a different career track in some departments compared to those who are not studying PhDs. Furthermore, the pressure to have articles published could be seen as slightly ambiguous performance criteria as it is not clear how much it affects career prospects nor how quantity or
quality are related to performance and therefore may be conducive to subculture formation.

- **Boundary.** Becher (1987) in his extensive study of subcultures in higher education claims that boundaries between functions may be strongly upheld between departments; especially when considering issues such as workload and budgets. Furthermore the only function which is able to cross such boundaries is administration. Becher (1987) found that boundaries of subcultures which formed on the basis of specialisation appear to overlap. This simultaneous occurrence of overlapping and firm boundaries highlights the complexities of culture and subcultures in higher education, although the detection of boundaries and the degree of overlapping of them in subcultures is beyond the scope of this study. Sackman (1992) develops the concepts of boundary in subculture formation as it is asserted that the influence of function also includes boundary spanning and temporary groupings. This would seem to indicate that the use of organisation charts or job descriptions to understand a particular organisational culture may be less useful than previously thought and will not be covered in this study.

- **Centrality in work flow.** In higher education, there is a combination of top-down hierarchy in terms of work flow and yet, the work flow may also be affected by the customer, the student. When considering courses and the management of courses, there is a certain degree of consistency of workflow as similar courses are taught each year. As the work flow of administration and management is also related to student numbers and courses, there is a certain degree of consistency and yet the work flow is not entirely centralized. For example, one lecturer may decide to keep up-to-date and produce new materials each year, requiring administrative staff to work more in materials preparation and library staff to supply the articles and other materials for the lecturer to keep up to date. On the other hand, a lecturer who repeats the same course as taught the previous year would have little change in work flow for himself or others.

If forming or joining a subculture is seen as a change issue with driving and restraining forces as mentioned here, then the following force field analysis can be constructed in light of the literature. These analyses gave insight into the key issues and the propensity for the formation
of subcultures in the organisation. Whilst compiling this analysis the distinction between teaching staff and non-teaching staff became more apparent and so a separate speculative analysis has been made for teaching and non-teaching staff:
Figure 8: A force field analysis of potential factors affecting the formation of subcultures for teaching staff

<table>
<thead>
<tr>
<th>Change issue</th>
<th>Driving force (positive)</th>
<th>Restrainting force (negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formation of subcultures for teaching staff at BBS</td>
<td>Location - office/department</td>
<td>Low levels of interaction (minimal face-to-face contact)</td>
</tr>
<tr>
<td></td>
<td>Commitment to organization / Strong sense of tradition</td>
<td>High professional autonomy</td>
</tr>
<tr>
<td></td>
<td>Importation from other organisations (occupational, new comers etc.)</td>
<td>Low task interdependence</td>
</tr>
<tr>
<td></td>
<td>Career filters e.g. long tenure, PhDs</td>
<td>Stable organization</td>
</tr>
<tr>
<td></td>
<td>Fear of change: Post-merger HEI, disruption, conflict, technological innovation</td>
<td>Not complex (not large)</td>
</tr>
<tr>
<td></td>
<td>Sense of boundary (discipline / dept. etc.), ideological differences</td>
<td></td>
</tr>
</tbody>
</table>

Psychological reactance – individual’s propensity to join subcultures*
Level of satisfaction and commitment with dominant culture
Informal groups
Approaches to innovation

*Note: an individual’s propensity to join subcultures may well be linked to their level of satisfaction with the dominant cultural values (Martin and Siehl, 1983; Rose, 1988)
As a final note on the complexity of HEI culture and subcultures, Kuh and Whitt (1988; 6) point out that for different cultures existing within HEI culture, some culture properties overlap: “four discrete but interdependent [sub]cultures are said to influence a faculty member’s behaviour: the culture of the discipline, the culture of the academic profession, the culture of the institution, and the culture of the national system of education”. Thus, the following section will consider the influence of the subcultures.

### 3.8 The impact of subcultures

From its theoretical origins in sociology and anthropology, the term “subculture” has been associated with images of deviants. Subcultural theories are used in criminology as a means towards gaining better understanding of criminal deviants, and theories such as labelling...
theory (Cohen, 1972) were developed through studies into delinquents, gangs, and other nonconformists. With an association with deviance and non-conformity, subcultures are likely to be associated with a negative impact upon the world around them. As mentioned earlier, there are a variety of types of organizational subcultures, not all of which are based on expressing opposing views (Jermier et al., 1991; Martin and Siehl, 1983; Sackmann, 1992), as in the case of orthogonal and enhancing organisational subcultures where some values and norms may differ from those of the dominant culture, but there is still adherence to the core or pivotal values. Thus, these subcultures do not impede organisational performance through conflict and resistance to organisational values and norms. In an organisation with heterogeneous subcultures, competing subcultures may cause conflict but the competition between the subcultures may enhance members’ roles in the organisation, as, for example, they strive to acquire more skills than the members of other subcultures (Sackmann, 1992). Perhaps in a higher education setting, this competitive aspect could be seen in the number of papers produced per department or rivalries based upon prestige or reputation.

When considering the potential impact of occupational subcultures, Trice (1993) claims that conflicts have arisen between managerial subcultures which aim to control work within the organisation and other occupational subcultures that seek autonomy. Van Maanen and Barley (1985) characterized subcultures as ‘containing seeds of conflict’ as conflict may emerge when members of differing subcultures confront one another. Gregory (1983) noted that in multicultural organizations; members of subcultures perceived things only from their cultural perspective (ethnocentrism), also perpetuating conflict. Bokor (2000) found there were some typical cultural clashes between subcultures as seen in the following table:

<table>
<thead>
<tr>
<th>Role</th>
<th>Task</th>
<th>Contextual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Professional conflict</td>
<td>Prestige conflict</td>
</tr>
<tr>
<td>Person</td>
<td>Decision or communication conflict</td>
<td>Political or personal conflict</td>
</tr>
</tbody>
</table>

Table 5: Matrix of conflict types

Source: Bokor (2000; 6)

In Bokor’s (2000) cultural typologies (see section 3.3), it was found that the strongest conflict existed between the Market and Profession subcultures as they differ in almost every way,
although the other typology (Return subculture) also experienced conflict to some extent (see earlier for explanation of these typologies). In the table it can be seen that based upon the type of subcultures interacting with one another, the resulting type of conflict was also found to vary.

Martin (1992) puts forward that subcultures may potentially have a negative impact upon certain cultures, in particular strong organizational cultures. Boisnier and Chatman (2002), on the other hand, claim that subcultures have a positive effect upon strong culture organizations as such organisations become ‘agile’ by allowing subcultures to emerge. This agility is achieved through subcultures providing the flexibility and responsiveness that a unitary culture may limit, although it seems that multiculturalism is a pre-condition for this positive impact. Boisnier and Chatman (2002) also claim that subcultures may actually strengthen an organization’s dominant culture rather than cause it detriment and in particular there are three findings which are used to support this. Firstly, it was found that subcultures vary in the extent to which they disrupt the overarching culture. Boisnier and Chatman (2002) point out that smaller groups, such as subcultures, are associated with being strategically weak and, therefore, not threatening (Galunic & Eisenhardt, 2001). Secondly, subcultures often emerge in response to changing demands and can serve as an outlet for members to express conflict and dissent arising during turbulent times. These emerging subcultures are seen as a mechanism for changing less central values as well as a means by which members can express themselves. This aspect of responding to changing demands may be seen as a strength of subcultures due to their smaller size in relation to the larger organisation, as Boisnier and Chatman (2002; 10) emphasise that subcultures are “more malleable and responsive than an entire organisation”. Finally, through considering the impact of subcultures upon the organisation, appropriate attention is given to the complexities and sensitivity involved in changing an organisation’s culture or subculture, as supported by Trice & Beyer (1984).

As mentioned earlier, Schein (1985) referred to subcultures as containing a combination of both pivotal and peripheral values and so subcultures could be orthogonal, enhancing or counter cultures. This is an important distinction: some subcultures could be destructive to the organisation (countercultures), but some may not (Wolfgang and Ferracuti, 1970; Zellner, 1995). Wolfgang and Ferracuti (1970) see organisational cultures as children who are never entirely different from their parent, although this analogy may also be taken a step further and considered in terms of the potential for conflict between parents and children and the parents’
need to have the children conform and be disciplined when the children deviate from desired norms. Schein (1985) divided values into pivotal and peripheral, norms on the other hand are categorized as: peripheral, relevant and pivotal (Schein, 1968). Relevant norms are those specific and important to the functioning of the group or subculture. Although relevant norms are arguably not as essential as pivotal norms, the breaching of these norms can lead to expulsion (non-inclusion) in the group. Thus, breaching of these norms may cause conflict within and beyond the subculture.

In higher education, multicultural student groups are seen as a means of giving a competitive edge through increased creativity, perspective and innovation (Heidrich, 2010) and likewise, Martin and Siehl (1983) found that subcultures can act as “containers of creativity in which ideas can formulate relatively independently of the constraints or influences of the (strong) culture”. The concept of subcultures working alongside a dominant culture was observed by Tushman and O’Reilly (1996; 27) who found multiple cultures within organisations and indicated a potential positive effect of these subcultures due to the variations between them, hence coining the term ‘amidextrous organisations”. Earlier it was said that common pivotal values are the key to subcultures existing harmoniously with the dominant culture, however Barnett (2000; 48) argues against common pivotal values in a higher education setting and claims it would be incorrect to assume that large multi-faculty universities (referred to as a ‘multiversity’) or even small institutions have something in common or some shared characteristic. Silver (2003) supports this peculiarity in higher education institutions when referring to the 1981 funding crisis in the UK when power of veto was held by the faculties and departments and in some cases departments and faculties vetoed against the interests and concerns of their own institutions. HEIs do seem to have the potential for conflict through groups with conflicting or competing aims as Kuh and Whitt (1988) assert that in a college or university, the antagonism between subgroups may result in member conflict and so they stop talking resulting in the formation of two distinct subcultures. Such subcultures are referred to by Van Maalnen and Barley (1984: 344) as subcultures “delimited mainly by their scorn for one another”.

Boisnier and Chatman (2002) declare that even countercultures may strengthen rather than harm organisational cultures. This idea stems from the belief that the counterculture challenges the dominant values with resistance, and in doing so, rather than weakening the dominant culture, it actually acts as a ‘value-reinforcing response’. This is based on the
concept that a contrary point of view can strengthen beliefs, values or behaviour as they are then put to the test and any challenge to existing beliefs is thus a tool for reinforcement of values, beliefs and behaviour. There are however certain environmental conditions which may be conducive to countercultures having a profoundly destabilising effect upon the organisation, as Boisnier and Chatman (2002; 12) reveal: “countercultures may be more disruptive… when the organisational environment is unstable and an organisation’s strategic direction is unclear”.

According to Graham (1986) employees may try to modify those values of employees which seem inappropriate to achieving their own goals or the success of the organisation. Boisnier and Chatman (2002; 19) claim that “disagreeing with an organisation’s values while continuing to work is a disable state”. These views not only stress the dynamic nature of subcultures but also that there is a tendency to reduce the cultural distance between the subculture and the dominant culture (Aronson, 1968; Staw, 1977). This is another indication that the impact may not necessarily be a negative one. Boisnier and Chatman (2002) consider this issue within the context of the exit-voice-loyalty model of Hirschman (1970) in that the subcultures may provide an exit from the dominant culture or a means of voicing differences and giving criticism and feedback. The issue of loyalty is thus highlighted as affecting subculture formation (O’Reilly and Chatman, 1986), as seen in the force field analyses in section 3.7 in the case of mergers with loyalty to pre-merger hierarchies, commitment and ensuing conflict in the face of change.

Finally, a subculture in any organisation may judge the others behaviour as ‘abnormal’ (Morgan, 1986; 120). In the context of HEIs, if faculty or disciplines form subcultures with different behaviours and values (Becher, 1984) then there are issues such as alienation, potential for misunderstanding, lack of appreciation and conflict. Kuh and Whitt (1988; 63) claim that HEIs have more than one dominant subculture and an impact of this is that it prevents the emergence of an institutional ethos.
Chapter four: The Market-orientation of HEIs

4.0 Orientations in higher education
In higher education, Riesman and Jencks (1961) alleged that some institutions’ cultures are oriented towards research while others are more towards undergraduate instruction. However, this might not necessarily negate any concept of market-orientation within HEIs. A research orientation might indicate that the institution wishes to achieve higher prestige than other institutions or build a higher reputation or perhaps be the first to develop a new theory or term – all of these indicate an awareness of the competition as well as a desire for innovation, both of which are elements of a market orientation. Likewise, an orientation towards undergraduate instruction may be seen as an orientation geared towards the satisfaction of the student or equipping the student to be useful and successful in a future career, which in turn could be seen as an orientation towards the ‘customer’, although in 1961 these concepts of ‘commodities’, ‘consumers’ and academic capitalism were entirely unfamiliar and there were few external factors forcing HEIs towards a business-like operation. This section is concerned with the internal and external environmental factors that have been and are pushing HEIs to become more market-oriented, as well as experts and researchers views on the pros and cons of adopting a market-orientation in this context.

4.1 Pressures for a market-orientation in HEIs
Day (1999; ix) claimed that the climate of market instability and fierce competition have led to the increased need for a market-orientation for all organisations, not only HEIs. According to Kuh and Whitt (1988; 58) HEIs in the US have an orientation towards achievement and objectivity rather than connectedness, cooperation and subjectivity. Clark (1963, 1980) developed a typology of disciplinary culture (a type of subculture) based upon faculty orientations:

1) local-cosmopolitan (orientation to the institution and the discipline)
2) pure-applied (orientation to the use of knowledge)
3) humanistic-scientific (orientation based on personal commitment / public verification of knowledge)

Naidoo (2008) refers to “the global trend away from the ideologies, funding and governance arrangements which were based on the ‘social compact’ that evolved between higher
education, the state and society over the last century”. Gumport (2000) argued that HEIs are shifting towards higher education being an industry. Marginson (1995: 56) claimed that education was becoming solely a branch of economic policy. Martin and Etkowitz (2000) refer to this change as the ‘second academic revolution’. Financial pressures have put a huge strain on government budgets and HEIs have been forced to look elsewhere for funding (Slaughter and Leslie, 1997). Naidoo (2008: 45) asserts that “the contemporary higher education system has become too large and complex to sustain its position as sole regulator and funder”.

The global trend of this ‘new public management’ transfers the values and practices of the private sector to the public sector (Chandler et al. 2002; Deem 2003). Clark (1983) presents an analytical heuristic for studying and comparing higher education systems, which gives an indication of the relationship between government, the market and professional control:

![Figure 10: Clark’s analytical heuristic](source: Clark (1983))

The above model provides significant insight into the interplay of the three variables: moving towards one of the variables means moving away from the others. It can be deduced that an HEI with a greater market focus has made or is making steps away from state control and national professions. When considering government policy, Naidoo (2008: 43) refers to ‘the perceived relationship between higher education and national economic advantage” and that “intellectual capital continues to be portrayed in government policy as one of the most important determiners of economic success and as a crucial resource in the scramble for global profits”. This study focuses to a greater extent on the certain aspects of professional-collegial control concerned with local influence, including departments, institutes, faculties, universities and multi-campus systems (Marginson and Rhoades, 2002; 284) on a micro-level.
Competition in higher education comes from local and foreign universities / colleges, private institutions and the relatively new “virtual universities” with a seemingly endless range of courses and curricula in many cases set to suit the student. All these factors combined with the greater dependence on private sources of funds (rather than governments) lead to an increasing urgency to keep abreast of competition locally and, if possible, globally.

4.2 Market-orientation and organisational culture

Kasper (2005) claimed that there is a link between strategy, organisational culture and market-orientation. This is supported by the McKinsey 7S model (Pascale & Athos, 1981; Peters & Waterman, 1982). Kaspar (2005) characterises the market culture type as:

- Dominant attributes as competitiveness and goal achievement
- Leadership style emphasising decisiveness and achievement orientation
- Bonding to the organisation via goal orientation, production and competition
- Strategic emphasis on competitive advantage and market superiority

Narver and Slater (1990) see market orientation as an orientation towards the customer, the competitor, and cooperation coordination, whereas Kohli and Jaworski (1990) define the market orientation as intelligence generation, intelligence dissemination and responsiveness. The latter seems to best suit the context of higher education. Slater (2001) stressed that a market orientation is centred on the needs of the customers and the organisation’s aim of satisfying those needs. From an HEI standpoint, if the student is taken as the consumer then student satisfaction becomes the central focus for a market-oriented HEI. A study by Cameron and Quinn (1999), based in part on Higher Education Institutions, viewed market-orientation as based upon mechanistic and external positioning and the results indicated that market cultures were associated with the best performance, although the ranking of the four cultural typologies varied from one industry to another (see section 1.6 for a detailed description of the typologies).

Using the six dimensions of Hofstede (1991) (process oriented vs. results oriented; employee oriented vs. job oriented; parochial vs. professional; open system vs. closed system; loose vs. tight control; and normative vs. pragmatic), Kasper (2005) concludes that market-oriented organisational cultures will be more pragmatic than normative with customer needs taking
priority above procedures and exhibiting a strong external focus (on competition). Day (1999; 6) and Cameron and Quinn (1999) confirm the need for an externally focussed culture as part of a market orientation.

According to Kasper (2005) there are a number of factors which are crucial to an organisation’s market orientation, such as the degree of openness and he found that the culture of a market-oriented organisation should be results oriented, employee oriented and professional. When considering members of organisations in the higher education sector, the picture of what market orientation really is, becomes less clear. As a public institution the organisation is subject to a certain degree of openness although the members within may not be open themselves. When considering a results-orientation again this may be seen from varying perspectives: individual performance could be based upon student satisfaction, publications, number of tenders won, whereas organisational performance could be based upon keeping within budget constraints, student enrolment, research or a number of other areas. With many stakeholders having varying expectations, a result-orientation in an HEI can be difficult to measure.

Hurley and Hult (1998; 45) found a strong link between market orientation and innovation: “A market- and learning oriented culture, along with other factors, promotes a receptivity to new ideas and innovation as part of the organisation’s culture (innovativeness)”. This again is subject to interpretation in a higher educational context. HEIs with a strong research focus could be seen on the edge of innovation within their various fields, other HEIs may adapt technology to develop new forms of courses and teaching methodologies. Although HEIs have been portrayed in the past as out-of-touch, perhaps nowadays there is an increasing push to be receptive to new ideas and innovate as a means of remaining competitive. As research institutions, many universities and, perhaps to a lesser extent, colleges are required to innovate and with a market-orientation. Innovation may not only come from the field of research but also in introducing new courses, opening up new markets of students, new teaching methodology, to mention but a few. In spite of this aspect, research indicates the need for universities to adopt entrepreneurial activities, strengthen their institutional management, and their interaction with industry and rest of the society (Clark, 1998; Etzkowitz, 2003). If creativity and innovation, as mentioned earlier, are potential benefits due to the existence of subcultures in the organisation, then perhaps in higher education too
subcultures may be seen not only in terms of their individual orientation but also as a means in themselves of enables HEIs to become more competitive.

Kasper (2005) suggested a number of the key behaviours and perceptions that constitute a market orientation and can be seen in the following figure:

Figure 11: the key factors to consider in developing a market orientation
Source: Kasper (2005; 20)

Some of the more unexpected findings in this respect were as follows: excellent internal cooperation and communication through the perception that “each day is challenging”;
learning from each other’s mistakes; and not looking after their own self-interest. It should be noted that the study by Kasper (2005) was conducted primarily with organisations from the private sector such as consultancies, insurance companies, banks and manufacturers although the list of organisations also includes one health care organisation, local government and a social welfare organisation. Therefore, this model presented by Kasper (2005) should not be considered exhaustive and may well require amendments and additions in order to suit an HEI.

In higher education, there are criticisms that competition should not be a central issue as an HEI’s role should be seen as a ‘triple helix’ involving knowledge creation rather than solely from a commercial perspective. Various expressions have already been used to describe market-oriented HEIs such as: ‘academic capitalism’ (Slaughter and Rhoades, 2004), the ‘massification’ of HEIs, and ‘McUniversities’ (Parker and Jary 1995), ‘entrepreneurial university’ (Clark, 1998) and ‘new managerialism’ (Deem 1998), some of which have been mentioned earlier. Such references indicate a greater focus on management, performance measures, being open to change and maintaining strong contacts with industry as well as with the rest of society (Etzowitz 2003; Clark 1998). Academic success is becoming measured according to rankings concerned with the number of students (and especially foreign students) enrolling, range and popularity of courses, and amount of income brought in from these and other projects and the organisation for this study is no exception to this fascination with rankings, which in turn affect future funding. Naidoo (2008: 47) sums up the potential situation: “Education is likely to be reconceptualised as a commercial transaction, the lecturer as the ‘commodity producer’ and the student as the ‘consumer’”. Marginson and Rhoades (2002; 287) argue that this commodification is not cause for concern as “universities have not been reduced to businesses. If the profit motive has been inscribed in these not-for-profit entities, higher education institutions nevertheless continue to be many-sided entities performing a wide variety of roles for various constituencies”.

Although aware of the pressures for HEIs to become market oriented, researchers and experts have expressed concern for this new direction for HEIs. Marginson and Considine (2000) found that between 1980 and 2000, full-time university enrolments in Australia increased by 50 per cent, whilst over the same period staff increased by only 6 per cent and they indicated a sincere concern about the consequences of HEIs becoming increasingly dependent on commercial activities: “If we continue to subsume the academic functions of the university
into its corporate identity, building institutions for the sake of the institutions themselves and losing sight of the fact that it is in teaching, research, and scholarship that universities make their distinctive social contributions, we will impoverish the university as an institution and pave the way for the shift of its academic functions into a generic corporate environment. This might be good for business, but it would not be very good for education” (Marginson and Considine, 2000: 35). Bok (2003) points out that the growing commercialization of HEIs undermines core academic values. He refers to a number of examples that employees in HEIs are undertaking tasks which may be considered dubious such as the increased secrecy in corporate-funded research, industry-subsidized educational programs for physicians, and conflicts of interest in research on human subjects, all of which appear to have money as the main motivating factor. This orientation is seen by Bok as a very short-term approach in higher education that will lead to the loss of public trust and the respect of faculty and students towards the institution and one another in the long term. The view that HEIs should be more than commodity producers is echoed by Lynch (2006: 6) who argues that a focus on a market orientation and, more specifically, league tables “direct us away from many of the core values that are central to University work, including quality teaching, outreach, inclusion and research which is of worth not only to our careers but to humanity in its entirety”.

In relation to the importance of the student in HEIs, another issue that came up a number of times was that of whether the students of HEIs should be seen as the consumer or the product when HEI’s adopt this market-orientation. This has significant implications: if the student is the consumer that the stress is placed on student satisfaction, rankings become indicators of student satisfaction and the product is thus the course itself. If, on the other hand, the student is the product, then the final consumer is the employer and the focus turns towards collaboration and cooperation with employers to ensure that market needs are met.

Needless to say, market-orientation may vary by degrees between one HE and another, as well as according to the HEIs stage in development. Kasper (2005; 6) refers to “a scale ranging from being truly market-oriented to not being market oriented at all”. Hence the operational definition of market orientation is: “the degree to which an organisation in all its thinking and acting (internally as well as externally) is guided and committed to the factors determining the market behaviour of the organisation itself and its customers” (Kaspar, 2005; 6).
Although market orientation may not be the only source of competitive advantage, Day (1999) suggested that the following behaviours may be considered a means by which new information concerning trends in the market may be accessed: creating a spirit of open-mind inquiry; analyzing competitors’ actions; listening to staff on the front lines; seeking out latent needs; active scanning of the periphery of the market and encouraging continuous experimentation. Thus a market-driven HEI would need to have the ability to maintain relationships with customers, regardless of whether the customer is seen as the student or the employer.

As a final point, there are exceptions to the rule. Not all HEIs are developing a competitive, arguably consumerist approach with detriment to history and traditions. According to Meadmore (1998), in Australia certain HEIs are using their history and traditions as a means of achieving a niche although of course this applies very much more to the elite universities rather than those lower in the rankings and hierarchy. Regardless of the approach adopted, there can be little question of the increased market-orientation and competitive nature of HEIs.
Chapter five: Assessing market-orientation and organisational culture

5.0 The need for assessment
Kashner (1990: 20) emphasised the important of assessing organisational culture prior to any change process: "readying an institution to reply to the conditions that call for change or to innovate on the institution's own initiative requires a clear understanding of its corporate culture and how to modify that culture in a desired direction". According to Farmer (1990: 8),"failure to understand the way in which an organization's culture will interact with various contemplated change strategies thus may mean the failure of the strategies themselves". Kabanoff et al. (1995) found that the type of institutional culture, such as elite, meritocratic, leadership, or collegial helped to predict perceptions in the organization and through perceptions, employees attitudes (and therefore levels of resistance) could be weighed up.

Sackmann (1992) claimed that there are three perspectives by which organisational culture may be assessed: variable (where culture is seen as something that an organisation has, involving tangible areas such as verbal and physical behaviours and practices, artefacts and meanings), cognitive (where culture is the organisation involving ideas, concepts, values, beliefs or norms) or holistic (combining both of the previous two approaches) although Sackmann (1992) also claimed some overlap between these three and distinctions are somewhat blurred. This study considers culture from a cognitive perspective and market-orientation from a holistic perspective.

5.1 Selecting a suitable instrument
For assessing subcultures, many of the methods used in previous studies (see later) have used general organisational culture measurement instruments. The following table gives a list of some of the organisational culture measurement instruments that have been used by researchers and the strengths and limitations of each and key words relating to market orientation have been highlighted:
Table 8: The strengths and limitations of common instruments for measuring organisational culture

<table>
<thead>
<tr>
<th>Name and key references</th>
<th>Cultural dimensions / outcome measures</th>
<th>Strengths</th>
<th>Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competing Values Framework (Cameron and Quinn, 1999)</td>
<td>Staff culture, leadership style, bonding systems. Results in a combination of 4 different culture types: clan, adhocracy, hierarchy, market.</td>
<td>Simple and quick to complete. High face validity, strong theoretical basis. Originally developed in educational organisations.</td>
<td>Narrow classification of organisational types.</td>
</tr>
<tr>
<td>Corporate Culture Questionnaire (Walker, Symon, and Davies 1996)</td>
<td>Four principal domains: performance, human resources, decision-making, and relationships.</td>
<td>Systematically developed from review of previous instruments, comprehensive.</td>
<td>Long</td>
</tr>
<tr>
<td>Core Employee Opinion Questionnaire (Buckingham and Coffman 2000)</td>
<td>Thirteen issues addressed: overall satisfaction, understanding of expectations, access to required resources, appropriate use of skills, recognition and praise for achievements, relationship with supervisors, encouragement for self-development, perceptions of worth, engagement with organizational mission, commitment of all employees, friendships, appraisal, opportunities for career progression.</td>
<td>High face validity, easy to complete.</td>
<td>Assesses only limited number of cultural dimensions.</td>
</tr>
<tr>
<td>Harrison’s organizational ideology questionnaire (Harrison 1975)</td>
<td>Assessment ideology of organization in terms of orientation to power, roles, tasks and individuals.</td>
<td>Good face validity, addresses both existing and preferred culture. Strong theoretical underpinning.</td>
<td>Limited number of culture types.</td>
</tr>
<tr>
<td>Hofstede's Organizational Culture Questionnaire (Hofstede et al. 1990)</td>
<td>Based on 3 values: need for security, importance of work and need for authority. Within these, there are 6 factors relating to practice issues: process vs. outcome, employee vs. task, parochial vs. professional, open vs. closed system, loose vs. tight control, normative vs. pragmatic.</td>
<td>Good theoretical basis and face validity of values and practical issues.</td>
<td>Not widely used in English-speaking countries.</td>
</tr>
<tr>
<td>MacKenzie’s Culture Questionnaire (Mackenzie 1995)</td>
<td>Employee commitment, attitudes to and belief about innovation, attitudes to change, style of conflict resolution, management style, confidence in leadership, openness and trust, teamwork and cooperation, action orientation, human resource orientation, consumer orientation, organisational direction.</td>
<td>Simple to complete.</td>
<td>Origin of items unclear, scientific properties unknown.</td>
</tr>
</tbody>
</table>
Organisational Culture Inventory (Cooke and Lafferty, 1987)

- Shared norms and expectations of group members / 12 thinking styles of individuals within a group: humanistic-helpful, affiliative, approval, conventional, dependant, avoidance, oppositional, power, competitive, competence / perfectionist, achievement, self-actualization.
- Good face validity, widely used graphic illustration of results. Strong psychometric underpinning.
- Limited number of aspects of culture. Long and complex to complete. Expensive to use (copyright).

Organizational Culture Survey (Glaser, Zamanou, and Hacker 1987)

- Addresses six empirical factors: teamwork and conflict, climate and morale, information flow, involvement, supervision, meetings.
- Easy to use, comprehensive process of development.
- Addresses only superficial issues.

The GLOBE study (House, Hanges, Javidan, Dorfman, and Gupta, (2004).

- Nine dimensions: performance orientation, assertiveness, future orientation, humane orientation, institutional collectivism, in-group collectivism, power distance, uncertainty avoidance, gender egalitarianism.
- Source: Adapted from Scott et al. (2003).

The table also indicates the varying dimensions to be considered when assessing an organisational culture. In many cases, as can be seen, there are varying degrees of overlap. For example, power, control and authority are reoccurring themes as are relationships between staff members. Likewise, the Competing Values Model indicates degrees of power distance in the four typologies - with the Hierarchy and Market typologies having higher power distance than the Adhocracy and Clan types. The studies in the table are used according to the aims and needs of the study. For example, Schein’s model may be used as a means of assessing culture through its artefacts, whereas the Cameron and Quinn competing values model may be used when a quantitative approach is preferred and involves the recognition of paradoxes existing in cultures.

A constructivist approach using one of the typological tools is not the only option for assessing cultures. Martin et al. (2004) differentiate quantitative and qualitative research on culture as well as managerial and non-managerial perspectives. A qualitative approach may be adopted using tools such as observation, interviewing, or projective metaphors (Schein 1985; Schein 1999). Ott (1989) used two quantitative instruments and an ethnographic approach to examine a small business’ culture. When using more than one approach, it is important to consider the impact that data from one method may have upon another. With cultural assessments, triangulation is perhaps more significant as different approaches may be used to target different levels of culture. For assessing subcultures another methodological issue – sampling - is important as an adequate sample must be taken to allow subgroup analysis. The
assessment of subcultures and their orientation in this study also needs to consider the context of an HEI culture. According to Kuh and Whitt (1988; 8) “institutional culture is so complex that even members of a particular institution have difficulty comprehending its nuances”. Thus, Kuh and Whitt (1988) argue that in order to examine an HEI culture methods of inquiry are needed through which the core assumptions, values and beliefs by faculty, and others may be found.

When choosing a suitable instrument for assessing organisational culture, previous studies into organisational cultures in higher education were researched as a means of refining the list found in the previous table. The table considering the methods used to analyse organisational culture in higher education can be found in Appendix 3. Although the list of studies in HEI organisational culture should not be considered as an exhaustive list, it does serve to indicate the more common methods used for this type of research. The Organisational Culture Assessment Instrument (OCAI) was highlighted in the previous table as it contains a market aspect and as can be seen from appendix 3, the areas highlighted in yellow indicate the use of this instrument in higher education.

5.2 Approaches in related studies

According to Sackmann (1992) many studies have been rather limited in that they focused on predefined subcultures (Gregory, 1983; Martin et al., 1983) or consider culture as homogenous (Schein, 1985). Sackmann takes up the challenge of detecting subcultures using the criteria of cultural knowledge. The study involves 52 interviews, the majority of whom were selected across hierarchical levels, within one organisation and another 30 interviews at Head Office and in the PC division. The outcome confirms the complexity of organisations as well as questioning the importance of function in the formation of subcultures. Sackmann (1992) adopted an interpretive or cognitive perspective in order to assess subcultures within an organisation and considers the aspect of the sense-making of individuals within the organization.

Hofstede (1998) undertook a study to identify organisational subcultures using an empirical approach. The questionnaire used six dimensions to distinguish 20 organisational units from each other. The six dimensions were: process oriented vs. results oriented; employee oriented vs. job oriented; parochial vs. professional; open system vs. closed system; loose vs. tight
control; and normative vs. pragmatic (Hofstede, 1998; 4). Within this study, there is an element of market orientation in the 6th dimension with pragmatic units being seen as market-driven in contrast to normative units viewing their relation to the outside world as ‘the implementation of inviolable rules’ (Hofstede, 1998; 4). Using this previous study and its results, Hofstede (1998) identified subcultures using a Hierarchical Cluster Analysis using Ward’s method. A dendogram was used as a statistical technique for grouping mean scores, resulting in a ‘tree diagram’. The results indicated that subcultures were groups as: 1) Professional subculture (highly educated); 2) Administrative subculture (women); and 3) Customer interface subculture (away from head office and constant interaction with customers face-to-face). The study indicates one possible method for using a culture measurement instrument and statistical analysis for producing empirical results in an existing organisation.

Iivari and Abrahamson (2002) conducted a study of the interaction between organisational subcultures and user-centred design with a case study. The methodology involved interviews as well as other research material such as assessment reports and research diaries. Iivari and Abrahamson (2002) cite a number of other studies as evidence that subcultures can be identified according to language as “language expresses membership and status, and thus provides a basis for identification” (Iivari and Abrahamson, 2002; 3). Schein (1996a/b) is cited for this identification with his typology of occupational subcultures. Language has not been selected as a means of identifying subcultures as the organisation includes almost 1000 employees and to sufficiently detect all possible subcultures, it was felt that a small sample of interviews would not be enough to uncover all the subcultures.

A quantitative approach is favoured as a means of obtaining responses from as many members as possible, increasing the size of the net with which to detect subcultures. Furthermore, as it came about from the pilot study that the respondents were very concerned about being identified, it was felt that there could be reluctance, if not resistance, to recording the interviews of respondents. However, following positive responses to the questionnaire, a qualitative study was undertaken on the subcultures using semi-structured interviews. However, due to limitations on the length of this dissertation and the wealth of data from the questionnaires, it was decided that including the qualitative side would overcomplicate this work, affecting readability and flow. Therefore, the qualitative study has been omitted.
When considering previous related studies, the market-orientation aspect also requires consideration. According to Kaspar (2005) many previous studies attempted to reveal a market-oriented culture by examining the marketing practices of organisations. It is pointed out by Kaspar (2005) that this is too simplistic an approach as the culture is only measured in terms of the way it is reflected in marketing practices and doesn’t give the full picture. Kaspar (2005) sought to identify the dimensions relevant to a market-oriented organisation by using Hofstede’s (1991) dimensions. Hypotheses were set up as to which dimensions would apply to a market-oriented organisation and which would not. Although some correlations were found for dimensions of a market-oriented organisation, the study took place in the private sector, a different context to that of this study. Furthermore, the study set out to test if any of Hofstede’s dimensions could be applied to a market-orientation rather than prove empirically they do.

In relation to examining market orientation in higher education, the work by Hemsley-Brown and Oplatka (2010) of analysing the market orientation using three dimensions has already been mentioned in section 1.6. Although the 20-item MARKOR (market orientation scale) developed by Kohli, Jaworski & Kumar (1993) has been used in studies in higher education, it was felt that the instrument developed by Hemsley-Brown and Oplatka in 2010 may present a more up-to-date instrument that considers current trends and the range of considerations for a market orientation in higher education.

As highlighted in the table in bold type, very few instruments directly stipulate a dimension directly relating to the market orientation, there is the Competing Values Framework (Cameron and Quinn, 1999), MacKenzie’s Culture Questionnaire (Mackenzie, 1995) and Cooke and Lafferty’s (1987) Organizational Culture Inventory. Mackenzie’s instrument has not been found to be used in studies concerned with the market-orientation of organisations, perhaps as the dimension stipulates a consumer orientation rather than an overall market orientation involving a focus on competitors, maintaining relationships with staff on the front line, innovation and so on. The Organizational Culture Inventory is considered long and complex to complete and only refers to a competitive orientation as a part of the market orientation. The Competing Values Framework directly stipulates a market orientation of culture, considers the complexity of culture with a range of competing values and has been developed initially in higher education, making it the most suitable for this study. Hofstede’s (1991) dimensions have been used in Higher Education to assess organisational culture as it
changes from a planned to a market economy, but doesn’t indicate a market type in the dimensions. Furthermore, from the options available the OCAI has been used a lot in higher education, for example Pushnykh and Chemeris (2006) assess the changes that have taken place in a case study of Tomsk Polytechnic University using the OCAI. Therefore, this study uses the Organisational Culture Assessment Instrument of the Competing Values Framework (Cameron and Quinn, 1999) to assess the organisational culture as a whole.

A number of these have also been undertaken using the OCAI in higher education. Sanderson (2006) examined university culture using the competing values framework. Although this study didn’t allow for the possibility of subcultures existing in the faculty that was studied, it did allow for a division in values between the administrative and academic functions. This study serves to show that the OCAI has been applied in a higher education context and that it allows for some of the complexities peculiar to HEIs. Paparone (2003) used the OCAI to identify subculture types at a military university and relate them to system-wide planning efforts. However, this analysis used a slightly different methodology from that of Hofstede (1998) in that a discriminant analysis was undertaken as a means of identifying the subcultures. Three subcultures were found and it was highlighted that claims of a monolithic culture in the organisation would result in misleading findings as the subcultures exhibited significantly different values and culture types in relation to the overall organisation. Therefore, this study will seek to utilise the OCAI that has been used in higher education and Hungary, combined with the methodology for identifying subcultures used by Hofstede (1998).
Part II: Empirical Studies
Chapter six: The research framework and methodology

This section serves to explain the framework behind the research, the methodology to be employed and the findings of the pilot study. However, first of all, the reasons for choosing the case study research as the basis for the empirical study and the role of the researcher are discussed.

According to Yin (1994; 6) a case study is chosen to understand the how and why of contemporary events. Eisenhardt (1989; 534) describes the case study approach as “a research strategy which focuses on understanding the dynamics present within single settings”. Yin (1994; 13) argues that a case study “investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used.”

The organisation chosen for this study is the one where the researcher has worked for a number of years and may be considered an ‘insider’. Merton (1972) asserts that the insider doctrine that states only insiders can conduct proper research and the outside doctrine that conversely states that a full detachment is required to carry out research are both fallacies. A researcher involved in endogenous research is rarely a complete insider. The fact that the researcher is a non-native highlights this aspect of not being completely inside, but also not being completely outside the organisation. That said, it is felt that greater legitimacy will be offered to the interpretation of findings as they will be interpreted based on more than a decade of experience in the organisation, and yet with an ‘outsider’s eyes’ (Thomas, 2011).

Anticipated problems
There was some concern that as an insider, respondents who know me may have assumptions about what they think I would like to hear or see in a way which may change their responses. Therefore, the questionnaires were handed out by management and department heads and the researcher was involved in the collection, again from department heads, in this way the attempt was made to minimise any association of the research with myself, although the researcher’s name and email address were given for the eventuality of any respondents requiring further data or having any questions about the research.

A big hurdle was expected to be the unwillingness of staff to complete the questionnaire through fear of being reprimanded. The cluster analysis depends on full results of personal
data, which staff may fear will enable researchers to pinpoint who filled out which questionnaire. Complete anonymity would have to be assured before compliance could be expected.

The questionnaires are originally in English, but in order to avoid misunderstandings and thereby negate validity, it will need to be translated into Hungarian. Fortunately a Hungarian version of the OCAI had been developed and used by PhD students at Pannon University. A validity check took place with the surveys being translated into Hungarian and then retranslated back into English. The market-orientation questionnaire was translated into Hungarian and then back translated into English in order to spot any significant discrepancies from the original version.

A big advantage of this questionnaire is that it is easy to administer and requires a relatively short time for completion (around 20 minutes). However, access to certain staff members was considered potentially problematic as teachers come in to the organisation at varying times of the day and other staff rarely having the time between lessons to sit down and complete a questionnaire. The best option was seen to be undertaking the survey in the middle of the semester after the initial settling at the start of the semester and before the exams kick off at the end of the semester.

6.0 The purpose of the research
The purposes of this research are to:

- Identify the subcultures that exist at the organisation
- Reveal the subculture typologies based upon the common values, perceptions and demographics data of the employees of the organisation
- Discover if other factors such as subculture size and homogeneity of values and perceptions have an impact upon the market-orientation of each subculture
- Discover if differences between perceived and actual values have an impact upon market-orientation

With the instruments used in this study, the responses for organisational culture are split into perceived organisational values and actual values, whereas the market orientation refers to perception alone as it was felt to be a false assumption if all employees are expected to have
values in relation to a market-orientation, but employees are more likely to have some perception of activities in relation to students, competition, and co-operation.

6.1 Research Questions

For achieving the purposes of the research, the following research questions have been put forward:-

RQ1. What type of subcultures form in this case study?

RQ2. Are subcultures entirely homogenous or have elements of heterogeneity?

RQ3. Is there a relationship between subcultures and market orientation?

6.2 Research Model

To answer the research questions referred to in the previous section, a research model was developed. The purposes of this research model are: to clarify the key elements to be considered in this research, to consider the potential interrelationships between these elements and thereby, select an appropriate methodology by which answers will be found for the research questions. Using the theoretical framework and based upon the literature review, the research model is presented on a subcultural level in the following figure:
Based on the research questions put forward and this research model, the hypotheses are stated below in relation to each of the three research questions:

**Research question:** *What type of subcultures form in this case study?*

**H1:** Subculture chief characteristics are on the basis of pre-merger divisions rather than demographics such as age, gender, tenure

**H2:** Subcultures perceive themselves as having core values in line with the organisation as a whole. That is to say, they perceive themselves as enhancing subcultures with the same dominant culture type as the subculture type
H3: Members of clan-type subcultures have longer tenures than those of market-type subcultures

Research question: Are subcultures entirely homogenous or have elements of heterogeneity?

H4: The larger the subculture, the greater homogeneity within the subculture

H5: All subcultures prefer the clan culture type to be the dominant characteristic of the organisation

H6: Organisational leadership is perceived as more based on a market-culture than members of subcultures would prefer

Research question: Does the existence of subcultures enhance the organisation’s market orientation?

H7: The lower the heterogeneity within subcultures, the greater the market orientation (student, competition and cooperation combined)

H8: Clan culture types have the same level of market-orientation (student, competition and cooperation combined) as market-culture types

H9: For all subcultures the strongest relationship exists between the student and cooperation orientations

Much previous research has covered organizational culture and market-orientation in higher education institutions or has focused solely on identifying subcultures. Through this study, the identification of subcultures and then considering their perceived market-orientation at a subcultural level provides greater insight into the nature of subcultures in higher education, whilst avoiding the trap of assuming that such large complex organizations have a single homogenous organizational culture.

The ‘subculture characteristics’ contain more than demographic data; the basis for formation of the subcultures is concerned with the commonality of demographic data which serves as a means of identifying the “subcultural glue” which holds the subculture together; the homogeneity of each subculture refers to the range of differing values held within each subculture; the size of the subculture is concerned with whether or not size of a subculture has an impact on the resulting subcultural type within this particular case study; and the difference
between perceived values of the organization and the preferred values of the organization, serves as a means of seeing what the subcultures value within the organization and how it perceives the organization. This can then be considered further by comparing on a subcultural level the difference between the subcultures’ values and their perceived values of the organization from a subcultural point of view. The ‘subcultural types’ category refers to the possible types found in higher education based upon the Competing Values Framework selected for this study (Cameron and Quinn, 1991) with each culture type having an internal / external focus as well as a dimension of either flexibility and discretion or stability and control. Each subculture may have varying levels of these dimensions, resulting in a range of differing values but to different extents, and each having a more dominant orientation and culture type.

The ‘subcultural type in relation to the organization’ refers to the degree to which values of the subculture mirror those perceived by the subculture as being the organisation’s values. An enhancing subculture indicates a complete matching of values between the organization and the subculture, whereas an orthogonal subculture would indicate that the dominant values of the organization are similar to those of the subculture, but other peripheral values are not. Finally a counter culture occurs when the values of the subculture are entirely at odds with those of the organization as a whole. The ‘subculture market orientation’ is specific to the context of higher education and therefore is made up of the student, competitor and cooperation orientation as classified by Hemsley-Brown and Oplatka (2010) for use in case studies in Higher Education, which is in turn based on a study of market-orientation in a wider context by Narver and Slater (1994).

6.3 Methodology
Considering the research model and in order to discover the subcultures in the organisation, this section considers the viability of the instruments selected for the sample in the organisation and the findings of the pilot study are examined as a means of developing a reliable and valid instrument for the sample.

6.4 Method of Quantitative Study
The quantitative approach is detailed in the following sections from the initial basis for the selected instrument, its development following the pilot study and the selection of the sample and data collection methods.
6.4.1 Instrument
The Organisational culture assessment instrument (OCAI) is split into 6 sections, each with 4 statements for each of the four scales designed to measure the four culture types: Clan, Adhocracy, Hierarchy and Market Orientation. For the four alternatives in each section the respondent is required to divide 100 points among these 4 alternatives, depending on the extent to which each alternative is similar to their own organization. Employee perceptions of the cultural elements emerge as the respondents give varying amounts of points to the 4 alternatives with the higher number going to the one(s) that is most similar to their organization. The respondents are also required to fill in two columns: one indicating the current organisation and the other the preferred or desired state (the OCAI can be found in Appendix 4).

In addition to the items dealing with organisational culture, the questionnaire also contained questions relating to the demographics and personal information of the individual. These characteristics were chosen according to the factors affecting subculture formation as found in the literature review of this study (age, gender, tenure, occupation, faculty, location, contract type (full time / part-time / hourly and temporary / unlimited), discipline and specialisation. According to Heidrich (1999:120), a strong need to form social groups and informal groups was typical in the previous system in Hungary. However, incorporating questions on informal social groups in this study and linking person by person these social groups was seen as overcomplicating an already complex theme. Furthermore, questions on social groups and informal meetings were seen as a little intrusive. Although informal groups, extracurricular activities and interests could also be reasons for formation of organisational subcultures, these were deemed to be better suited to qualitative research as the list for these factors could be wide ranging and require some probing questions, first to make the respondent aware that he or she is a member of a subculture and secondly to consider the basis for the formation of that particular subculture.

6.4.2 Measurement Format
Each questionnaire requires information about the staff such as age, occupation (management, teaching staff, administration or other) length of tenure, full time or part-time, level of interaction with other colleges, gender, discipline and department. Using these details a cluster analysis will be undertaken using the CVF and thus, it can be detected where shared
values, perceptions and perhaps subcultures exist as well as the degree of market orientation among sub groupings and within the organisation as a whole.

6.4.3 Reliability and Validity
As mentioned earlier, to ensure reliability of the translation of the questionnaire from the English to Hungarian version, the questionnaire was translated from English to Hungarian and then back-translated to ensure comprehension and reliability. This is referred to as semantic equivalence and ensures that the meaning is the same after translation into the target language (Flaherty et al., 1988). This was completed by two translation experts. One translation the English version into Hungarian and then the other expert translated the Hungarian version back into English as a means of identifying possible translation errors or points needing clarification. The original English version and the new English version based on the Hungarian were assessed for significant differences in meaning / comprehension. It was found by both experts and myself that no significant discrepancies were evident and thus the Hungarian version could be seen as a reliable translation. To avoid any bias during the process, the back-translator did not participate in the previous translation process.

During the translation process, some methodological issues emerged regarding the job groupings of staff of the organisation. The problem was that the groupings typical for most organisations in English did not fit the Hungarian system of hierarchy and most notably that of the organisation. Having researched the website for official descriptions of posts, other staff were also questioned as to their job title and checked against the specified groupings. In this way, it was ensured that staff would be clear as to which grouping / position they belonged.

To ensure further reliability of the data, a number of analysts were employed to check processed data against original records. To reduce the possibility of contamination by respondents from the pilot study, the sample from the pilot study was requested not to participate further in the study. Furthermore, the research protocol included the highlighting in three separate places of the confidentiality of the data received.

6.5 Pilot study
The aim of the pilot study was to test the questionnaire on a small sample whose characteristics are the same or similar to those who will be completing the final questionnaire.
as a means of spotting any flaws which can be corrected before implementing the main survey. The pilot study is a means of considering unanticipated procedural problems not only in the administration of the questionnaire but also in the planned statistical and analytical procedures. The pilot study also investigates the comprehensiveness of the questionnaire and the usefulness of the answers given. This pilot study was conducted in the spring semester of 2011 prior to the main stage of questionnaire distribution and data gathering, which occurred in the following autumn semester.

6.5.1 Selection of Study Sample
The size of sample is a small one for the pilot for two reasons. Firstly, Bless and Higson-Smith, (2000; 52) argue that the pilot study should involve taking a sample from the population upon which the study is planned. With a case study involving a limited number of around 1000 participants, a large sample for the pilot study might result in a less than representative sample of the actual study as the data of those involved in the pilot study would not be used in the main study (Peat et al. 2002: 57). Furthermore, questionnaires would not be given in the main study to those who took part in the pilot study due to concerns about “questionnaire fatigue” and the possibility that participants will no longer follow the protocol as it is no longer novel (Van Teijlingen and Hundley, 2001). Secondly, the interviews concerning evaluation of the pilot questionnaire were qualitative rather than quantitative in nature and a smaller sample was deemed adequate (Hudson et al. 2007; Jacobson and Wood, 2006; Haralambos and Holburn, 1995)

The sample chosen for the pilot study was a purposive sample aimed at representatives from all three colleges of the organisation and from three main functions: administrative, teaching and management. In this way, the potential for varying perspectives and understandings can be covered in the pilot study through a full range of individuals and their possible responses. The participants from each college consisted of one manager, one teacher and one from admin/IT with the exception of the college C, where opportunity allowed for an additional teacher to be interviewed. The number of respondents in total was as follows: 4 employees from college C; 3 from the satellite institutions; 3 from college B; and 3 from college A.
6.5.2 Study Instrumentation

A semi-structured interview methodology was utilized to assess the suitability of the questionnaire. The interview questions were based upon those questions recommended by Bell (1999) and Wallace (1998) for a pilot study:

1. Were the instructions clear and easy to follow?
2. Were any of the questions unclear or ambiguous?
3. Were you able to answer all of the questions?
4. Did you object to answering any of the questions?
5. Did you find any of the questions embarrassing, irrelevant or irritating?
6. In your point of view, are there any important or concerned issues omitted?
7. Was the layout of the questionnaire clear?
8. How long did it take you to complete the questionnaire?

For each participant, the aim of the pilot was explained and then they were asked to complete the questionnaire. Participants were asked to think out loud when completing the questionnaire and notes were taken of any comments made during the completion of the questionnaire. Following completion of the questionnaire, the interview was held using the questions above as a loose structure for the interviews. Each interview lasted approximately 20-40 minutes depending upon the responsiveness of the interviewee and interruptions.

Despite these closed questions, after each one was asked, participants were given ample opportunity to add any further comments, as indicated in the evaluation questionnaire (the English version of this can be found in Appendix 5).

6.5.3 Data Analysis

The interview notes were discussed with the respondents at the end of the interview for correctness and completeness of capturing their thoughts and responses, and as means for member check validation. The notes were later transcribed, usually within the day following the interview.

6.5.4 Results

The objective results from closed questions on the evaluation form can be found in Appendix 6. A summary of the key findings from the interviews (using direct quotations) can be found in Appendix 7. Some of more common remarks are highlighted in the following section.
One of the biggest concerns was about the length of the questionnaire as too long a time would result in impatience and fatigue, thus providing inaccurate results. From the pilot study, as shown in appendix 6, the majority of respondents took 21-30 minutes to complete the questionnaire (6 respondents) and another 5 respondents taking 31-40 minutes. Although there was some concern about the completion time creeping towards over 40 minutes, it should be stated that in this case, there was a number of interruptions, causing the extension of completion time. Although the questionnaire was lengthy, when questioned, none of the respondents complained of fatigue or grew impatient. However, in order to minimize the potential for fatigue, the timing of the questionnaire was planned to coincide with quieter times of the semester for administrative, teaching staff and management i.e. after the initial weeks of the semester when things can get a little hectic and before the end of the semester when there are exams and tests.

There were a number of issues in relation to ambiguous wording. In one case the wording of the instructions for the OCAI was altered to facilitate completion of what was considered an unusual format. Likewise, question 2C of the OCAI, the questionnaire was reconsidered by experts in translation and with an understanding of business. A new wording was agreed and then the respondents were consulted concerning this new wording. They agreed that this was much clearer and posed no further problems.

It also became clear as a result of the pilot study that confidentiality was a much bigger issue than anticipated. When administering the final version of the questionnaire, priority would be placed upon the fact that all data would be strictly confidential, both when requesting permission from top management to hand out the questionnaire and when actually handing the questionnaire out to individual employees. It is hoped that this issue does not demonstrate a cultural aversion to providing data or that commenting on one’s own organisation is seen as something that may have ‘consequences’.

The pilot has also brought up some important points in relation to the research question and confirmed the research gap that stimulated the study in terms of the apparent fragmentation of the organisation and the conflicting views concerning market-orientation, which was confirmed in the literature review in the context of higher education. Despite the apparent concern about reluctance to participate due to confidentiality and trust issues, the pilot seemed
to confirm the selected case-study as a good platform for conducting the investigation – especially from the point of view of access to potential participants. The final version of the questionnaire can be found in *appendix 8*.

### 6.6 Data Collection

The data from heads of department or administrative staff was collected or in some cases mailed directly to the researcher between the 3rd and 11th week of the autumn semester of 2011.

#### 6.6.1 Participants

In addition to the insider approach (endogenous research), the organisation was chosen as a research site for this study due to the interest of the researcher in the changes in Hungarian Education since the changeover from a budget commanded regime to a free-market economy. The researcher has good access to this organisation; it presents one less barrier to research.

As highlighted by Schein (1985), culture can be found at all levels of the organisation and it has already been noted that many studies on organisational culture have the shortcoming of focussing solely on management as the sample. The participants of this study include staff from all three faculties and the main headquarters of the organisation, which constitutes management, teaching staff, administration and others, such as cleaning and security as well, as all staff are deemed to have their own perception and values within the organisation. The surveys were administered among these groups and the estimated sample size was expected to be about 400-500 from a total of 959 employees.

#### 6.6.2 Procedure

The rector was contacted with a request to carry out the research (see *appendix 9*). Following approval, the Deans of each faculty or their representatives were consulted regarding the questionnaire. The Deans then informed their staff about the questionnaire (see *appendix 10*) and then the questionnaires were distributed in paper format to each department. After considering the apparent resistance to the computerization of the student mark records, and the majority of staff being over the age of 50, it was decided that a paper format might pose less problems as there would be no need to access a computer, get online and complete the data using a PC. The distribution commenced after the third week of the semester, giving enough time for things to settle after the busy initial weeks of the semester. Each department was given about two weeks to complete the questionnaire with extensions being given where
requested. The distribution was planned to coincide with a term holiday as well, so that it would be easier for staff to find the time to complete the questionnaires. Data was input case by case, with the data coded and later standardized for analysis using SPSS 17.0.

6.7 Data Analysis
The data was analysed using SPSS Statistics 17.0 and Excel for presentation of radar diagrams. According to SPSS there are no duplicate cases or any missing data from the total sample of 334 cases. An analysis of variance such as MANOVA is not used here as it is the variance that will provide the clusters for the dendogram.

Chapter seven: The findings of the research

7.0 Findings
The following sections detail the initial findings with regard to the subcultures, and then the particular results in relation to each hypothesis of the research model. These findings will be the basis for the following discussion section.

7.1 Data sample: Response rate, representativeness and reliability
From a total possible 959 employees from all levels of the organisation, 369 completed questionnaires were received, from which 3.5% were either incomplete or invalid due to miscalculations in the OCAI, giving a final sample of 35% (334 employees). Furthermore, two outliers were found during the cluster analysis that didn’t fit into any of the subcultures. Therefore, these two respondents were excluded from the study. Using the final figure of 332 participants, it has been found that for the population size and a 95% confidence rate, the sample is given a 4.40 % margin of error. With regard to ensuring a balanced representation of the organisation by Faculty, the data was weighted by Faculties.

In addition to the Organizational Culture Assessment Instrument (OCAI) questionnaire used in this study, the researcher obtained approval to use the market-orientation questionnaire from Dr. Jane Hemsley-Brown (Hemsley-Brown and Oplatka, 2010). Both the OCAI and the MO questionnaires were validated upon use by the questionnaires designers and in subsequent studies. Furthermore, as mentioned earlier, the OCAI consists of six sections with each section containing four statements that relate to the following six dimensions: dominant characteristics, organizational leadership, management of employees, organizational ‘glue’, strategic emphasis and criteria for success (Cameron & Quinn, 2006; 151). The four statements relate to four culture types in each dimension. For each statement respondents are
required to allocate a score for the current organisational culture (perception) and the preferred organisational culture (values). To assess the reliability of the scales used in this questionnaire, the coefficient of internal consistency was calculated using Cronbach’s alpha methodology for the entire sample and the following table lists the four culture types, which have been divided into perceptions (current situation) and values (preferred situation):
Table 9: OCAI Reliability Statistics using Cronbach’s alpha

<table>
<thead>
<tr>
<th>Culture type</th>
<th>Perception (current) Cronbach’s Alpha α</th>
<th>Value (preferred) Cronbach’s Alpha α</th>
<th>Comparison Reliability Coefficients*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clan</td>
<td>0.816</td>
<td>0.802</td>
<td>0.82</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>0.672</td>
<td>0.768</td>
<td>0.83</td>
</tr>
<tr>
<td>Market</td>
<td>0.719</td>
<td>0.638</td>
<td>0.67</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>0.785</td>
<td>0.688</td>
<td>0.78</td>
</tr>
</tbody>
</table>

* Reliability coefficients reported by Cameron & Quinn (1999).

As can be seen in the table, the scores for Cronbach’s alpha are above 0.6, which points to acceptable internal consistency. In a few cases these coefficients seem somewhat lower when compared with those found by Cameron and Quinn (1999), but still exceed the 0.6 threshold in all cases. This evidence of reliability indicates that the 6 dimensions are related to a common construct, namely, the four culture types.

The market-orientation questionnaire (MO) consisted of three dimensions: student orientation; competition orientation and cooperation (interfunctional) orientation. The reliability coefficients can be seen in the following table:

Table 10: Market orientation reliability statistics using Cronbach’s alpha

<table>
<thead>
<tr>
<th>Market-orientation (MO)</th>
<th>Reliability Coefficients (Cronbach’s Alpha α)</th>
<th>Comparison Reliability Coefficients*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student (18 items)</td>
<td>0.892</td>
<td>0.832</td>
</tr>
<tr>
<td>Competition (6 items)</td>
<td>0.679</td>
<td>0.842</td>
</tr>
<tr>
<td>Cooperation (8 items)</td>
<td>0.841</td>
<td>0.816</td>
</tr>
</tbody>
</table>

* Reliability coefficients reported by Hemsley-Brown and Oplatka (2010).

These may be considered acceptable in terms of internal reliability and in comparison to the reliability coefficients originally declared by Hemsley-Brown and Oplatka (2010) and two of the dimensions show a greater reliability (highlighted in the table). The competition orientation is lower, but still acceptable as it is above the 0.60 threshold. Thus, it can be said that the items included to measure these three dimensions of market-orientation are reliable in relation to perceived market orientation.
7.2 The identification and type of subcultures

Based upon the first research question: What type of subcultures form in this case study?, the first three hypotheses were formulated as a means of detecting and investigating further the nature of subcultures in the organisation.

Using the data, a hierarchical cluster analysis was undertaken using Ward’s method as a means of identifying potential subcultures. With this method used by Hofstede (1998), participants were clustered one by one based on the similarity of their mean scores for the questions from the OCAI with the most similar first, the next most similar next, and so on. The resulting dendrogram or tree diagram “lists vertically the different organic working groups, ordered by the program in such a way that the most similar are together, and horizontally the ‘rescaled distance’ based on the percentage of error in the question means that should be allowed before the two groups can be considered part of one and the same cluster” (Hofstede, 1998: 6). The clusters were found by determining the steps that lead to large jumps in the rescaled distance, a similar method to the process of 'scree analysis' used in factor analysis.

At this stage of identifying subcultures, Tan and Vathanophas (2003) conducted a discriminant analysis on the 43 questions of their study to identify the questions that best describe each of the clusters and then those questions were subjected to Fisher’s linear discriminant functions where large coefficient implies heavy loading as a means of considering which questions had the greatest significance for each subculture. However, for this study, subcultures were not considered according to the significance of particular questions but rather attributes were considered based upon the demographic data and the data found from the Market Orientation Inventory (Hemsley-Brown and OPlatka, 2010). The relative importance of each statement in the OCAI could be considered an area for future research. It was clear from the dendogram that significant jumps occurred from the point beyond which 5 clusters were found. Two respondents were outliers forming their own clusters with only one respondent in each. These were extracted from the study as these outliers were extreme cases that would corrupt the results of the data if included in the sample for assessing relationships between variables, and, as subcultures may be defined as requiring interaction between members, subcultures containing one individual could not exist. The distribution of the participants into clusters can be seen in the following table:
Table 11: The distribution of participants by cluster

<table>
<thead>
<tr>
<th>Cluster</th>
<th>Number of participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>140</td>
</tr>
<tr>
<td>2</td>
<td>84</td>
</tr>
<tr>
<td>3</td>
<td>34</td>
</tr>
<tr>
<td>4</td>
<td>30</td>
</tr>
<tr>
<td>5</td>
<td>44</td>
</tr>
<tr>
<td>Total</td>
<td>332</td>
</tr>
</tbody>
</table>

**H1: Subculture chief characteristics are on the basis of pre-merger divisions rather than demographics such as age, gender, tenure**

In order to discover the most common characteristics for each subculture, a number of characteristics were chosen based on the literature as possible chief characteristics of the subcultures. Although there is a temptation to view these common characteristics as the reason for formation of the subculture, there may be other factors not covered in this investigation such as social (non-work-related) gatherings. The characteristics chosen from those cited in the literature were: age, gender, tenure, position, location(s) for work and Faculty. Initially department was also included in the questionnaire but this was later omitted due to respondents in the pilot sample feeling uneasy about being identified if ‘department’ was included in addition to age and position. The tables indicating the findings in relation to the common characteristics for each of the five subcultures can be found in Appendix 11. Subcultural divisions were examined based upon location of work, position, length of tenure, age, combination of locations, gender, faculty, interaction with colleagues, and perception of who is the customer. For all of these criteria, the highest level was 53% of the members of one subculture belonging to one category, but this category was not high across the other subcultures and so could not indicate a clear dividing factor. As there was no single factor that was a chief characteristic across all subcultures, the hypothesis is rejected.

**H2: Subcultures perceive themselves as having core values in line with the organisation as a whole. That is to say, they perceive themselves as enhancing subcultures with the same dominant culture type as the subculture type**

The subcultures found were each examined according to the cultural orientations / types of the Organisational Culture Assessment Instrument (OCAI). Respondents completed data for both their perceptions of the current values of the organisation and their actual (preferred) values. The following charts contrast the differences between the expressed values and perceptions of the organisation for each subculture.
**Subculture 1**

This subculture contained 140 respondents of the total 332 and due to its significantly larger size, may be seen as the dominant subculture from the sample.

Figure 13: Differences between perceived values of the organisation and actual values of subculture 1

![Diagram showing perceived values of the organisation and actual values for Subculture 1]

The subculture is more oriented towards the clan and adhocracy culture types than it perceives the organisation to be as a whole, which indicates that this particular subculture values greater flexibility and discretion. The dominant subculture type is the market culture, although it perceives the hierarchy as being the organisation’s culture type. On the figure, it can be seen that the market type is perceived as in line with the market values of the organisation. In relation to the hypothesis, there are some differences between perceptions of the organisation and values held by the members within the subculture, the significance of these differences was examined using a t-test and the results are in the following table:

Table 12: T-test of the differences between perceived values of the organisation and actual values for Subculture 1

<table>
<thead>
<tr>
<th>Culture type</th>
<th>Paired Differences</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Deviation</td>
<td>Std. Error Mean</td>
<td>Lower</td>
<td>Upper</td>
</tr>
<tr>
<td>Clan</td>
<td>3.43</td>
<td>5.81</td>
<td>0.49</td>
<td>2.45</td>
<td>4.40</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>3.98</td>
<td>6.59</td>
<td>0.56</td>
<td>2.88</td>
<td>5.09</td>
</tr>
<tr>
<td>Market</td>
<td>-0.73</td>
<td>6.61</td>
<td>0.56</td>
<td>-1.84</td>
<td>0.37</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>-6.71</td>
<td><strong>10.71</strong></td>
<td><strong>0.91</strong></td>
<td>-8.51</td>
<td>-4.93</td>
</tr>
</tbody>
</table>
As highlighted in the above table, the hierarchy culture type has the largest significant difference, and a significant difference is also found for the clan and adhocracy culture types.

**Subculture 2**

This subculture contained 84 respondents of the total 332, which is one of the larger subcultures in the sample, although only half the size of subculture 1.

Figure 14: Differences between perceived values of the organisation and actual values of subculture 2

The differences are more distinct than in subculture 1. Subculture two has clan as the dominant culture type, and perceived the dominant type in the organisation as the hierarchy type. The figure indicates that the subculture values flexibility and discretion more than is perceived in the organisation, and conversely, stability and control are perceived as central to the organisation, but not valued thus within the subculture. The significance of these differences was examined using a t-test and the results are in the following table:

Table 13: T-test of the differences between perceived values of the organisation and actual values for Subculture 2

<table>
<thead>
<tr>
<th>Culture type</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Paired Differences</td>
<td></td>
<td></td>
<td>t</td>
<td>df</td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Deviation</td>
<td>Std. Error Mean</td>
<td>Lower</td>
<td>Upper</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clan</td>
<td>5.44</td>
<td>9.66</td>
<td>1.05</td>
<td>3.34</td>
<td>7.53</td>
<td>5.16</td>
<td>83.00</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>3.86</td>
<td>6.68</td>
<td>0.73</td>
<td>2.41</td>
<td>5.31</td>
<td>5.29</td>
<td>83.00</td>
</tr>
<tr>
<td>Market</td>
<td>-4.30</td>
<td>8.08</td>
<td>0.88</td>
<td>-6.05</td>
<td>-2.55</td>
<td>-4.88</td>
<td>83.00</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>-4.98</td>
<td><strong>9.89</strong></td>
<td><strong>1.08</strong></td>
<td>-7.13</td>
<td>-2.83</td>
<td>-4.62</td>
<td>83.00</td>
</tr>
</tbody>
</table>
The results indicate significant differences for all culture types with the hierarchy having the biggest difference, although the clan type is a close second.

Subculture 3

This subculture is one of the smaller subcultures with 34 respondents of the total sample of 332.

Figure 15: Differences between perceived values of the organisation and actual values of subculture 3

Subculture 3 has the hierarchy as its dominant culture type and the members perceive the organisation as a dominant hierarchy type. It sees the organisation as more hierarchical than itself. There appear to be large differences for all culture types, except for the market type. The results of the t-test are in the following table:

Table 14: T-test of the differences between perceived values of the organisation and actual values for Subculture 3

<table>
<thead>
<tr>
<th>Culture types</th>
<th>Paired Differences</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Deviation</td>
<td>Std. Error Mean</td>
<td>Lower</td>
<td>Upper</td>
</tr>
<tr>
<td>Clan</td>
<td>4.82</td>
<td>6.70</td>
<td>1.15</td>
<td>2.49</td>
<td>7.16</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>-4.71</td>
<td>31.03</td>
<td>5.32</td>
<td>-15.54</td>
<td>6.12</td>
</tr>
<tr>
<td>Market</td>
<td>-1.02</td>
<td>11.84</td>
<td>2.03</td>
<td>-5.15</td>
<td>3.11</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>-4.24</td>
<td>12.34</td>
<td>2.12</td>
<td>-8.54</td>
<td>0.07</td>
</tr>
</tbody>
</table>
For this subculture, only the clan type has a significant difference (100%), with the hierarchy culture type indicating approaching significance, but it is not a significant difference.

**Subculture 4**

This subculture comprised of 30 respondents from the sample and is the smallest of the subcultures found in the cluster analysis.

Figure 16: Differences between perceived values of the organisation and actual values of subculture 4

It can be seen from the above figure that this subculture is heavily characterised by the dominant hierarchy orientation. In fact the scale had to be increased considerably to allow for the high score for hierarchy orientation. The subculture perceives the organisation as more market oriented and less clan-oriented than itself. The dominant hierarchy type has led to significantly weak values associated with the adhocracy type for both perceptions and values. The organisation perceives the organisation as having the hierarchy as the dominant culture type and the subculture has the same dominant culture type, which may indicate that the subculture perceives itself as an enhancing culture. The significance of these differences was examined using a t-test and the results are in the following table:
Table 15: T-test of the differences between perceived values of the organisation and actual values for Subculture 4

<table>
<thead>
<tr>
<th>Culture types</th>
<th>Paired Differences</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Deviation</td>
<td>Std. Error Mean</td>
<td>Lower</td>
<td>Upper</td>
</tr>
<tr>
<td>Clan</td>
<td>5.50</td>
<td>13.24</td>
<td>2.42</td>
<td>0.56</td>
<td>10.44</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>1.22</td>
<td>5.26</td>
<td>0.96</td>
<td>-0.74</td>
<td>3.19</td>
</tr>
<tr>
<td>Market</td>
<td>-4.94</td>
<td>19.65</td>
<td>3.59</td>
<td>-12.28</td>
<td>2.39</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>-1.92</td>
<td>11.51</td>
<td>2.10</td>
<td>-6.22</td>
<td>2.38</td>
</tr>
</tbody>
</table>

The results show that there is only a significant difference for the clan culture type in this subculture.

**Subculture 5**

This subculture comprised of 44 respondents from the sample. Although part of the smallest group of clusters, it has provided some significantly different and strong values as can be seen in the following figure:

Figure 17: Differences between perceived values of the organisation and actual values of subculture 5

Subculture 5 has a very dominant clan culture and the perceived values of the organisation are also for a dominant clan culture type, which may indicate that the subculture perceives itself
as an enhancing subculture. Once again, the scale had to be adjusted to allow for such a high score. The significance of these differences was examined using a t-test and the results are in the following table:

**Table 16: T-test of the differences between perceived values of the organisation and actual values for Subculture 5**

<table>
<thead>
<tr>
<th>Culture types</th>
<th>Paired Differences</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Deviation</td>
<td>Std. Error Mean</td>
<td>95% Confidence Interval of the Difference</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Lower</td>
</tr>
<tr>
<td>Clan</td>
<td>8.12</td>
<td>11.41</td>
<td>1.72</td>
<td>4.65</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>1.05</td>
<td>5.95</td>
<td>0.90</td>
<td>-0.76</td>
</tr>
<tr>
<td>Market</td>
<td>-3.99</td>
<td>9.92</td>
<td>1.50</td>
<td>-7.01</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>-4.88</td>
<td>9.32</td>
<td>1.40</td>
<td>-7.71</td>
</tr>
</tbody>
</table>

For this subculture, there is a significant difference for all the culture types, with the exception of the adhocracy. In summary, the dominant culture types for the five subcultures are shown as follows for both perceived type of the organisation and values (preferred type):

**Table 17: Dominant culture types of the five subcultures**

<table>
<thead>
<tr>
<th>Categories</th>
<th>Subculture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dominant culture type</td>
<td>1</td>
</tr>
<tr>
<td>Market</td>
<td>Clan</td>
</tr>
<tr>
<td>Perceived organisational dominant culture type</td>
<td>Hierarchy</td>
</tr>
</tbody>
</table>

As can be seen in the table, three out of the five subcultures perceive themselves as having the same dominant culture as that of the organisation, and therefore the hypothesis is rejected.

**H3: Members of clan-type subcultures have longer tenures than those of market-type subcultures**

This hypothesis was initiated after the literature review indicated there wasn't a determinable dominant culture type in higher education, but the clan type was found to be prevalent in a
number of studies in Hungary and of higher education institutions. It seemed to the researcher that the clan type was associated with the times before the change of regime in Hungary and those with this nostalgia might be forming subcultures on this basis. It also seemed from the literature that this is not solely related to the older generation as students had indicated a preference for clan cultures. Furthermore, the market culture type could be seen as a recent phenomenon - in light of pressures upon the organisation to become more market-oriented - and thereby could be more prevalent amongst newer employees, less engrained in the status quo. Therefore, despite the lack of a clear division of subcultures based upon tenure (see hypothesis one), the decision was made to base this hypothesis upon a comparison of the tenure of clan and market culture types. The following table indicates the length of tenure for the clan and market subculture types found in the results for testing hypothesis two:

Table 18: Tenure for the market and clan culture types of subculture

<table>
<thead>
<tr>
<th>Tenure categories (in years)</th>
<th>Subculture</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 Market</td>
</tr>
<tr>
<td></td>
<td>No.</td>
</tr>
<tr>
<td>less than 5</td>
<td>47</td>
</tr>
<tr>
<td>5-10</td>
<td>26</td>
</tr>
<tr>
<td>10-20</td>
<td>47</td>
</tr>
<tr>
<td>20-30</td>
<td>13</td>
</tr>
<tr>
<td>30-40</td>
<td>5</td>
</tr>
<tr>
<td>more than 40</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
</tr>
</tbody>
</table>

As can be seen from the table, the market subculture has 34% with the lowest tenure category. However, the clan subculture (2) has 61% of members with more than 10 years of tenure and the highest grouping around 10-20 years tenure, whilst clan subculture (5) has 48% of its members with less than 10 years of tenure. Using tenure as a continuous variable and culture type as the categorical variable, a two-step cluster analysis was undertaken using SPSS. This can be seen in the following graph:
As can be seen from the above, it seems that members of market subcultures have a lower tenure than those of clan subcultures. Before the hypothesis was accepted, the skewness was calculated using SPSS 17.0 as a means of highlighting the distribution of tenure for the market and clan cultures. The skewness was found to be 0.3516 for the market subculture i.e. a positive skew, whereas for the clan subcultures it was -0.659 for clan subculture 2, and -1.298 for clan subculture 5, indicating a negative skew. This confirms that the market subculture has a lower tenure than that of the two clan subcultures and the hypothesis is accepted.

7.3 Homogeneity across subcultures

The following findings concern hypotheses related to the second research question: *Are subcultures entirely heterogeneous?* The following hypothesis is concerned with level of homogeneity of values within subcultures; whereas, hypothesis five and six are concerned with the degree of homogeneity across subcultures as well as the impact of homogeneity upon other subculture characteristics.

**H4: The larger the subculture, the greater the homogeneity within the subculture**

Standard deviation assesses how far the values are spread above and below the mean and in this way, based on the mean for each subculture, the standard deviation gives an indication of the extent of homogeneity / heterogeneity of values expressed by respondents in that the higher the standard deviation, the greater the difference in values of members from the
average for the subculture. The standard deviation was calculated for the values (preferred) and the results are shown in detail in *appendix 12*. The following table indicates the standard deviation of the standardized values by subculture and it should be noted that these subcultures are listed in descending order based upon size:

Table 19: The standard deviation of values (standardized) within subcultures

<table>
<thead>
<tr>
<th>Subculture</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: 140 members</td>
<td>1.21</td>
</tr>
<tr>
<td>2: 84 members</td>
<td>1.90</td>
</tr>
<tr>
<td>5: 44 members</td>
<td>2.00</td>
</tr>
<tr>
<td>3: 34 members</td>
<td>2.24</td>
</tr>
<tr>
<td>4: 30 members</td>
<td>2.69</td>
</tr>
</tbody>
</table>

As the largest subculture had the lowest standard deviation and vice versa, the sample size could be seen as a decisive factor in determining variance. A Levene test was performed as a means of examining the homogeneity of clusters and negating sample size as the decisive factor. It indicated that all subcultures (1-5) have significantly different standard deviation in all preferred values, and consequently all clusters as shown below:

Table 20: Levene test of the homogeneity of variances

<table>
<thead>
<tr>
<th>Test</th>
<th>Levene Statistic</th>
<th>df1</th>
<th>df2</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>APrefBGF</td>
<td>21.749</td>
<td>4</td>
<td>327</td>
<td>.000</td>
</tr>
<tr>
<td>BPrefBGF</td>
<td>9.014</td>
<td>4</td>
<td>327</td>
<td>.000</td>
</tr>
<tr>
<td>CPrefBGF</td>
<td>10.763</td>
<td>4</td>
<td>327</td>
<td>.000</td>
</tr>
<tr>
<td>DPrefBGF</td>
<td>6.359</td>
<td>4</td>
<td>327</td>
<td>.000</td>
</tr>
</tbody>
</table>

It seems that subcultures have different standard deviation in all 4 preferred values, and so all subcultures are significantly different in these four preferred values. The apparent correlation between size of subculture and standard deviation of values was then considered in the following graph as a means of considering the linearity:
It seems that there is not a perfect linear relationship so a bivariate analysis was undertaken using SPSS to ensure that this relationship was significant and the Pearson correlation gave a value of -0.926, indicating a strong negative relationship with more than 95% significance (0.024). This means that deviance of values increases as subcultures get smaller. In relation to the hypothesis, if deviance increases as subcultures get smaller, then it follows that deviance decreases as subcultures grow in size. Therefore, the hypothesis is accepted that there is greater homogeneity as subcultures increase in size.

**H5: All subcultures prefer the clan culture type to be the dominant characteristic of the organisation**

The first dimension of the OCAI is called the ‘dominant characteristics’ and refers to the dominant characteristics of the organisation, both those perceived by each respondent and those preferred. The findings according to each subculture can be seen in graphic format in Appendix 13 and are summarized here in the following table:

<table>
<thead>
<tr>
<th>Subculture</th>
<th>Preferred dominant characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Clan</td>
</tr>
<tr>
<td>1</td>
<td>25</td>
</tr>
<tr>
<td>2</td>
<td><strong>34.64</strong></td>
</tr>
<tr>
<td>3</td>
<td><strong>37.35</strong></td>
</tr>
<tr>
<td>4</td>
<td><strong>35.50</strong></td>
</tr>
<tr>
<td>5</td>
<td><strong>55.34</strong></td>
</tr>
</tbody>
</table>
As can be seen, there is an element of homogeneity in four of the subcultures in that they all would prefer the dominant characteristic to be the clan culture type, even those with subcultures that are actually of a different culture type in themselves – albeit to varying extents. However, the largest subculture (subculture 1) would prefer the market-culture. Furthermore, subculture 1 appears more balanced in comparison with the other four subcultures with just over 2 points difference between the preferences for the organisation to be a market, clan or adhocracy culture. Although the differences in preferences are small in comparison with other subcultures, subculture one still has a preference for the market-type of organisation and so, the hypothesis is rejected.

**H6: Organisational leadership is perceived as more based on a market-culture than members of subcultures would prefer**

The following figures indicate the dimension of organisational leadership by subculture for perceived values of the organisation and preferred (values):

Figure 20: The perceived values of the organisation and preferred values for organisational leadership for subculture one
Figure 21: The perceived values of the organisation and preferred values for organisational leadership for subculture two

Figure 22: The perceived values of the organisation and preferred values for organisational leadership for subculture three
Although there are perceptible differences for all four culture types across the five subcultures, this hypothesis is concerned specifically with the market culture type. Therefore, using the data that helped construct the previous figures, the data concerning the market culture was extracted from each subculture so that a t-test could be undertaken to compare the perceptions and values for each subculture concerning the market culture type in order to find out if any of the differences could be considered significant. The results can be found in the following table:
Table 22: The difference between market culture type leadership perceptions and values by subculture

<table>
<thead>
<tr>
<th>Subculture</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
<th>95% Confidence Interval of the Difference</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Lower</td>
<td>Upper</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subculture one</td>
<td>-2.77</td>
<td>14.64</td>
<td>1.24</td>
<td>-5.22</td>
<td>-0.33</td>
<td>-2.24</td>
<td>139</td>
</tr>
<tr>
<td>Subculture two</td>
<td>-6.61</td>
<td>13.58</td>
<td>1.48</td>
<td>-9.55</td>
<td>-3.66</td>
<td>-4.46</td>
<td>83</td>
</tr>
<tr>
<td>Subculture three</td>
<td>0.50</td>
<td>19.89</td>
<td>3.41</td>
<td>-6.44</td>
<td>7.44</td>
<td>0.15</td>
<td>33</td>
</tr>
<tr>
<td>Subculture four</td>
<td>-4.50</td>
<td>29.34</td>
<td>5.36</td>
<td>-15.46</td>
<td>6.46</td>
<td>-0.84</td>
<td>29</td>
</tr>
<tr>
<td>Subculture five</td>
<td>-5.30</td>
<td>16.54</td>
<td>2.49</td>
<td>-10.32</td>
<td>-0.27</td>
<td>-2.12</td>
<td>43</td>
</tr>
</tbody>
</table>

As can be seen from the table, there are significant differences between perceptions and values of the market culture type dominating leadership for subculture one, two and five. In relation to the hypothesis that leadership is more market focussed than employees would prefer, it may be seen from the figures that subculture 3 would prefer the market aspect of leadership to be more than it is perceived, the hypothesis is rejected.

### 7.4 Market-orientations of subcultures

The third research question was concerned with the relationship between subcultures and market orientation and the following hypotheses investigate the relationship between perceived market-orientation, according to the three dimensions of student, competitive and cooperation orientation, and subcultural elements such as size, homogeneity and culture type. In order to test the hypotheses, the market-orientations were assessed for each subculture and the findings are as follows:
According to the Competing Values Framework of Cameron and Quinn (1999), the market-oriented culture should have both an external focus and a tendency towards stability and control. According to Cameron and Quinn’s (1999) model the clan type is in opposition to the market orientation type, however one of the clan type subcultures (subculture five) has a strong co-operative and student orientation, leading to the second highest market orientation. Surprisingly, the market culture type doesn’t have the highest market orientation and this may be due to these additional dimensions of student and co-operative orientation in a higher education context. The hierarchy culture type (subculture three) has the highest market orientation, and this is largely due to a very high student orientation. According to the competing values framework, the market and hierarchy culture types have a common dimension of stability and control. These findings will be covered in greater detail in the discussion section.

**H7: The lower the heterogeneity within subcultures, the greater the market orientation (student, competition and cooperation combined)**

As with the fourth hypothesis, the deviation of values given by respondents in each subculture is calculated as a means of discovering the homogeneity / heterogeneity within each subculture. The following graph indicates this deviation of values (in blue) and then the market-orientations (student, competition and cooperation) are portrayed for each of the five subcultures:
There seems to be no clear correlation between heterogeneity (standard deviation) and any of the three dimensions of market-orientation and this was borne out by the Pearson Correlation as can be seen in the following table:

Table 24: Correlation between heterogeneity and market orientation for subcultures

<table>
<thead>
<tr>
<th>Orientation</th>
<th>Pearson Correlation</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Orientation</td>
<td>0.275</td>
<td>0.655</td>
</tr>
<tr>
<td>Competition Orientation</td>
<td>-0.343</td>
<td>0.573</td>
</tr>
<tr>
<td>Cooperation Orientation</td>
<td>-0.038</td>
<td>0.952</td>
</tr>
<tr>
<td>Market orientation (total)</td>
<td>-0.002</td>
<td>0.998</td>
</tr>
</tbody>
</table>

As can be seen from the table, there is no significant correlation between these variables and therefore, *the hypothesis is rejected.*
H8: Clan culture types have as high a market-orientation (student, competition and cooperation combined) as market-culture types

According to the ANOVA analysis results shown in the table below, there are no significant relationships between values and market-orientation for all the subcultures, with significances of 0.130 for student orientation, 0.227 for competition orientation and 0.325 for cooperation orientation.

Table 25: An ANOVA analysis of the relationship between values and market orientation

<table>
<thead>
<tr>
<th>Element of market orientation</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Orientation</td>
<td>5.043</td>
<td>4</td>
<td>1.261</td>
<td>1.790</td>
<td>0.130</td>
</tr>
<tr>
<td>Competition Orientation</td>
<td>3.897</td>
<td>4</td>
<td>0.974</td>
<td>1.419</td>
<td>0.227</td>
</tr>
<tr>
<td>Cooperation Orientation</td>
<td>4.777</td>
<td>4</td>
<td>1.194</td>
<td>1.167</td>
<td>0.325</td>
</tr>
</tbody>
</table>

As there is no significant relationship between all culture types and market-orientation for any of the five subcultures, the hypothesis is rejected.

H9: For all subcultures the strongest relationship exists between the student and cooperation orientations

The following table indicates the strength of correlation between the three market-orientations for each subculture. By comparing these figures, it can be said that the relations between these orientations do vary according to each subculture with 98-100% significance, as seen in the following table displaying the strength of correlation of one orientation to another for each subculture:
It seems that although other subcultures gave a high figure for one or two combinations of orientations, the greatest correlation across all the three orientations is found in the relationship between student and cooperation orientations with 100% significance. Therefore, the hypothesis is accepted.
Chapter 8: Discussion of the findings

8.0 Introduction
The quantitative approach used to identify organizational subcultures and perceived market-orientation of respondents sought to discover the relationship between a subculture’s demographic characteristics and perceived market-orientation; if certain values of particular subcultures were more closely associated with market-orientation; if subculture types related to market-orientation; if there appeared to be a common trait within each subculture; if subculture size had an impact on differences between perceptions and values; the effect of heterogeneity; and, whether perceived differences of the subculture had an impact upon perceived market-orientation.

8.1 General Evaluation of the Results
The following section will consider the findings in relation to their consistency with previously published studies and existing knowledge as well as highlight any unexpected findings. Furthermore, the findings of this study will be considered in light of any questions that have emerged indicating the need for further research.

In order to fully evaluate the findings, the research questions will each be considered in turn in light of the hypotheses to which they relate. The first research question of this study was: What types of subcultures form in this case study? The first three hypotheses relate to this area: H1 states that subculture chief characteristics are on the basis of pre-merger divisions rather than demographics such as age, gender, tenure; H2 states that subcultures perceive themselves as having core values in line with the organisation as a whole. That is to say, they perceive themselves as enhancing subcultures with the same dominant culture type as the subculture type; and H3 states that members of clan-type subcultures have longer tenures than those of market-type subcultures. Each of these hypotheses will be considered in turn.

The first hypothesis was: subculture chief characteristics are on the basis of pre-merger divisions rather than demographics such as age, gender, tenure
This hypothesis is concerned with the common characteristics found in subcultures. In the literature a wide range of bases were found for the formation of subcultures. In higher education, the literature revealed additional bases such as faculty, department and function. The literature gave no indication that one or a combination of these bases could be assumed
and without this prior knowledge any assumption made about the bases of the subcultures was seen as a false assumption. Therefore, the first section of the questionnaire was designed as a means of identifying the common characteristics identifying each subculture.

In the findings it became apparent that there was no single identifying basis for subcultures in this case study. Furthermore, even a combination of bases did not produce a clear means of identifying subcultures when contrasted to the identification of common characteristics of subcultures found in works such as Hofstede (1999) and Bokor (2000). Becher (1987) dealt with the issue of department/faculty based groups in higher education with overlapping boundaries and further subcultures based upon function. It seems that in this organisation with a matrix structure there is a less clearly defined basis for subcultures. The matrix structure is often described in textbooks as being adopted in higher education with groupings according to common subject specialism and with particular courses or programmes of study (Mullins, 1999; 542), allowing greater flexibility, control of information and sharing of resources. From an organisational culture view, if interaction brings about greater sharing of values through problem solving, it would seem that a matrix structure might encourage a sharing of values through increased interaction. However, the findings of five distinct subcultures indicate that a single set of values are not shared throughout the organisation.

Despite having some commonalities across subcultures on a functional basis, each of the five subcultures is split across different locations and faculties. As a means of providing further answers to the first research question, the findings for hypothesis one (characteristics of subcultures) as well as differences in preferred and perceived culture types are summarized here. The summary only includes data by which subcultures can be differentiated from one another. This summary should further demonstrate what types of subcultures have formed. When identifying subcultures, Bokor (2000) and Hofstede (1998) attribute names to them as a means of encapsulating the essential nature of the subcultures. This technique is used in other areas of management such as Maccoby (1976) when leader types are identified as ‘the craftsman’, ‘the organisational man’, the ‘jungle fighter’ and the ‘gamesman’. Furthermore, when describing the ten strategic schools in ‘Strategy safari’, Mintzberg et al. (2005) use animals and clichés to identify the essence of each school. Therefore, an identifying name has been put forward for each subculture as a means of encapsulating the essence of the difference between each subculture and the cliché as the key frame of thought that is conjectured to be within each subculture.
Table 27: A summary of the most common characteristics by subculture

<table>
<thead>
<tr>
<th>Dominant characteristic</th>
<th>Subculture</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size (number of persons)</td>
<td></td>
<td>140</td>
<td>84</td>
<td>34</td>
<td>30</td>
<td>44</td>
</tr>
<tr>
<td>Dominant culture type</td>
<td></td>
<td>Market</td>
<td>Clan</td>
<td>Hierarchy</td>
<td>Strong Hierarchy</td>
<td>Strong Clan</td>
</tr>
<tr>
<td>Perceived organisational dominant culture type</td>
<td></td>
<td>Hierarchy</td>
<td>Hierarchy</td>
<td>Hierarchy</td>
<td>Hierarchy</td>
<td>Clan</td>
</tr>
<tr>
<td>Dominant market orientation</td>
<td></td>
<td>Student</td>
<td>Co-operative</td>
<td>Student</td>
<td>Student</td>
<td>Co-operative</td>
</tr>
<tr>
<td>Position</td>
<td></td>
<td>Lecturer</td>
<td>Lecturer</td>
<td>Office staff</td>
<td>Office staff</td>
<td>Lecturer</td>
</tr>
<tr>
<td>Function (Teaching/admin/unskilled/management)</td>
<td></td>
<td>Teaching</td>
<td>Teaching</td>
<td>Admin</td>
<td>Admin</td>
<td>Admin</td>
</tr>
<tr>
<td>Age (years)</td>
<td></td>
<td>50-62</td>
<td>50-62</td>
<td>50-62</td>
<td>50-62</td>
<td></td>
</tr>
<tr>
<td>Tenure (years)</td>
<td></td>
<td>less than 5 years and 10-20 years</td>
<td>10-20</td>
<td>10-20</td>
<td>Less than 5</td>
<td>5-10</td>
</tr>
<tr>
<td>Identifying name</td>
<td></td>
<td>Market mentors</td>
<td>Nostalgic professors</td>
<td>Devoted Smooth operators</td>
<td>Ardent Bureaucrats</td>
<td>Cohesive Community</td>
</tr>
<tr>
<td>Clichés (sports)</td>
<td></td>
<td>Stepping up to the plate</td>
<td>The goal posts have been moved</td>
<td>Buying into the coach’s system</td>
<td>Follow the rule book</td>
<td>In a league of their own</td>
</tr>
</tbody>
</table>

Although subcultures were split across locations and faculties, there are commonalities in relation to function, age and tenure within each subculture. However, the split of subcultures across each location and faculty raises a concern as to whether there is sufficient interaction between members of each subculture to constitute it being a subculture rather than a cluster of values in the organisation.

When considering the interaction within subcultures it can be either formal or informal. Interaction between colleagues across the organisation was an assumption made at the beginning of the study based on the following: due to the matrix structure staff are encouraged to meet and work at other locations / faculties; staff from different faculties also meet for training (all staff) and research and face problem solving situations together; management meet regularly from different faculties and functions; and personal experience of interaction across faculties and locations on a regular basis formally and informally. A question was included in the questionnaire to allow for interaction levels with other staff and another to
show if respondents worked on more than one site. Furthermore, only full-time staff has been included in this study, excluding part-time and hourly paid employees.

In order to ascertain the potential level of interaction within subcultures, the members of subculture one (market mentors) were considered on the basis of the range of interactions each member has with other parts of the organisation. It was found that subculture one has 26% of its staff as working at a variety of locations and the formal interaction taking place based upon location can be seen in the following figure (the numbers in the boxes signify the number of participants in the subculture that interact in the particular way):

Figure 26. Interactions between members of subculture one
Furthermore, as can be seen from appendix 13, in reply to the question concerning levels of interaction with colleagues, all subcultures have more than half of their members having daily interaction with colleagues, with subcultures 3 and 4 having figures of around 80% for daily interaction. It was seen as too invasive when designing the questionnaire however, to ask respondents with whom this interaction took place i.e. internally from within the BBS, the faculty or department, this decision was further supported after the participants expressed concerns about being identified in the pilot study.

Interaction in itself is not the only consideration for a cross-pollenization of values. Time is also a factor as well as the type of interaction taking place, such as involving problem solving or sense making, as referred to in Van Maanen and Barley’s definition, which is the operational definition of this study. The faculties have a shared history going back decades, long before the merger took place in 2000. Bearing in mind the matrix structure has been in place for 14 years forcing staff to bridge the gap of location and faculty divisions, 10-25% of the staff in each subculture working at two or more locations and the need for less formal / informal gatherings for examinations, conferences, research, student conferences, awards and other occasions as well as a range of informal gatherings each semester such the generations’ meeting (Nemzedékek Találkozója), Fresher’s ball, and other celebrations, it seems the potential is there for the formation of subcultures across locations and faculties. The latter reference to informal interactions causing the formation of subcultures is reminiscent of Berscheid (1985) who claimed that like-minded individuals are attracted to subcultures as individuals would prefer to be around others with similar attitudes, including perceptions of the organization (i.e. the similarity-attraction paradigm). It is accepted that a study of the informal interaction of the organisation would have helped to fully understand how things work in the entire organization vis-à-vis the informal culture as a possible insight into the interplay of the various subcultures. However, this limitation does not indicate insufficient interaction to negate the formation of subcultures (see section 8.3) as confirmed by the study of Boisnier and Chatman (2002; 6) who state: “in contrast to subgroups, subcultures need not form around existing subdivisions, such as departmental or functional groups (although they often do), nor do they need to be consciously or intentionally formed”. It is noteworthy that potentially an unconsciously or unintentionally formed subculture may not identify itself as one, despite the fact that most operational definitions of subculture include a reference to a subculture identifying itself as such. This discrepancy with existing operation definitions seems to be echoed by the finding in the literature review (found in the introduction of chapter
five), by Kuh and Whitt (1988; 8) that HEIs are so complex that even the members of the organisation as a part of the culture have “difficulty comprehending its nuances”.

It can be seen from the table that the dominant age for all subcultures is 50-62 years, this is a characteristic of the organisation that the greatest majority of staff is over the age of fifty. However, it should be noted that when referring to the subculture one as market mentors, this is in relation to tenure. Thus, there are newcomers to the organisation who are being mentored but that doesn’t mean that these members of the lecturer subculture are fresh out of university. Conversely, it could be that the mentors are the newcomers who are mentoring the older members based on their experiences in higher education beyond the organisation. The issue of tenure also seems the dividing factor between subcultures three and four. They are very similar in all characteristics with the exceptions of the strength of values and differences in length of tenure. The following hypothesis considers the importance of tenure in relation to subculture types.

From the findings the following thesis is put forward relating to the case study:

_A matrix structure does not guarantee conformity of values or a single monolithic culture and pre-existing divisions found in previous studies cannot be assumed to exist in subcultures, regardless of the similarities between studies (T1)._  

Even the subcultures with the same culture type such as subculture 2 and 5 may have shared the same values but to varying extents i.e. the figures of subculture five for clan related values were almost double those of subculture two. It can also be seen in the table that there seems to be some confusion as to the dominant organisational culture type. It seems that the matrix structure has resulted in some confusion and that this concept of dual reporting has resulted in a loss of accountability as subcultures are content with their subculture types (and therefore values) being at odds with those of the organisation. This is especially seen in the larger subcultures, subculture one (140 members) and subculture two (84 members). Bartlett and Ghosal (1990) reported a potential downside to a matrix structure in that it may lead to conflict and confusion with informational ‘bottle-necks’ and overlapping responsibilities.
In relation to the first hypothesis, the fact that there are no discernable characteristics of subcultures that may form the bases of their formation or the ‘glue’ that holds them together does not indicate a randomness to the formation of subcultures. A particular study may find that the basis for a subculture’s formation is through department, another may find divisions based upon occupation. It would be erroneous to assume that a particular basis applies to a case study purely on the basis of it being similar to the organisation and sector to be examined. Despite this, there are studies which are based upon assumed divisions of subcultures (e.g. Rodriguez, 1995; Lin & Ha, 2009; Billups, 2011). It was noted from the literature that research groups, extracurricular activity and social and informal groups may also be a reason for formation and be found to be a common characteristic, however, it was felt that demographic data had to be limited to some extent as respondents had expressed discomfort during the pilot study concerning the ease of identification through the demographic data that they were required to give. By letting go of any assumptions of the basis for subcultures in this study and using a hierarchical cluster analysis, homogeneity of values is assured but the basis for the formation of the subcultures is less clear. Rather than one particular characteristic standing out as a clear marker for boundaries across all subcultures, as was found in Hofstede’s (1998) study, it became necessary to identify the most dominant characteristic for each subculture and thereby, a basic subcultural profile could be developed, as seen in table 27, and in more detail in appendix 15.

The second hypothesis was: Subcultures perceive themselves as having core values in line with the organisation as a whole. That is to say, they perceive themselves as enhancing subcultures with the same dominant culture type as the subculture type.

This hypothesis was partly based upon the literature by Schein (1985) and Boisnier and Chatman (2002) concerning the type of subcultures found in organisations and their relationship to the entire organisation or dominant subculture of the organisation. Organisational subcultures could be categorised as one of the three types: enhancing, orthogonal and counter cultures, according the values and perceptions given by respondents in the questionnaire by subculture. The finding was that some subcultures perceive themselves as enhancing but not all and that there are mixed perceptions of the dominant culture of the organisation. Furthermore, if we take subculture five and three as examples: subculture five has a dominant clan culture and perceived the organisation as a clan culture; whereas subculture three has a dominant hierarchy culture and sees the organisation also as a hierarchy.
culture. Both see themselves as enhancing subcultures, although logically only one of them can in fact be an enhancing culture, if any.

The findings of the study also indicate that when aligning subcultures to an organisation’s values (Hopkins et al., 2005) from a strategic point of view, members may not be aware of their misalignment with the organisation. An interesting area for further research may be to consider the merging of smaller subcultures (e.g. departments) over a period of time and investigating whether management intervene or the changing of values in a merged subculture naturally evolves towards an enhancing subculture and how perceptions may vary in relation to this change. The key findings in relation to this hypothesis were that subculture one is has a dominant market subculture, but perceives the organisation as being dominant as a hierarchy culture. Subculture two was a clan-type, but perceived the organisation as a hierarchy. Subculture three was a hierarchy and perceived the organisation as being the same. Subculture found was similar to subculture three but with a higher strength of dominance. Subculture five was dominant in a clan culture with the organisation perceived as being the same. Thus, it was found that subcultures three, four and five perceived themselves as enhancing. This may indicate a certain degree of compliance in employees that there is no desire to rock the boat, or alternatively that through their subcultural lenses employees see the organisation as they would wish to see it i.e. in the image of their own subcultures. This would pose a significant dilemma for managers in this organisation, if the organisation wishes to see its employees follow the espoused values as closely as possible, whilst the employees will always see themselves as following the organisation’s values, even when they are not. Another unexpected finding in the analysis of culture types is that the largest subculture, subculture one, had the dominant culture type as the market type, with the perceived organisational culture type as hierarchy. This seems to indicate a certain willingness of the dominant culture to go against the flow – this subculture might be seen as the ‘go-getters’ who have seen the changes in the market and governmental support and have adjusted accordingly. This does not necessarily mean that subculture one perceives itself as a counterculture. If stability and control are seen as pivotal values, then this subculture may be an orthogonal subculture rather than a counterculture. According to the competing value framework, the hierarchy and market culture types share the dimension of stability and control, meaning that there is a certain overlapping of values. As will be seen when tackling the next hypotheses, this subculture is also made up of two groups of tenure length; those who have been with the organisation for less than 5 years and those who have been for 10-20 years. It may be that the shorter tenure
employees are setting an example for others to follow in the subculture, based upon experiences in other institutions, or that the longer-standing employees are mentoring the shorter tenure employees as a means of safeguarding the future survival of the organisation. Further research would need to be undertaken, to delve deeper into the motivations for the market culture of this larger subculture, dealing with issues such as how new staff are introduced to the organisation, mentoring, as well as the impetus for a market culture. Such qualitative research could also undertake to discover the reasons for the misconceptions shown by many of the subcultures of the culture type of the organisation.

Finally, the findings for testing hypothesis two also indicated that all subcultures perceived the organisation as having a dominant hierarchy culture with the exception of subculture five, the clan subculture. This subculture has very strong values in relation to clan culture type and sees the organisation as similarly very-much clan oriented. This may be seen as ‘cultural blinkers’ towards the organisation or what Sackman (1992; 144) refers to as “culture-specific interpretations”, or rather for this study these could be ‘subculture-specific interpretations’. In the literature review, Sackman (1992) indicated that subcultures may be grouped by organisational knowledge, with one type referred to as ‘axiomatic knowledge’ pertaining to the reasons and explanations for a given event. It may be that subculture five is characterised by significantly different axiomatic knowledge in relation to the other subculture. It seems that communication and leadership may be fruitless if subcultures have strongly shared values and perceptions which result in misinterpretation of the nature of the organisation. Through these ‘subcultural lenses’ management is faced with the new task of making themselves understood to each subculture in their own way. This seems somewhat reminiscent of the effective communication models in relation to multi-cultural teams as members have “different perceptions of the environment” (Matveev & Nelson, 2004; 255) and the decoding of a message given by management may be severely affected by the misperceptions held concerning the organisation. There may be a need for management to tailor their messages to the specific subculture being addressed, which also means that for effective communication, staff will need to be divided into subcultures rather than standard divisions by department and function. Based on the results and the literature, the following thesis is put forward:

**Whilst countercultures may be deviant subcultures, countercultures may not emerge in the organisation out of a conscious decision to oppose existing organisational values. Through subcultural misinterpretations, members of countercultures may not see themselves as**
counter to the values of the organisation; and conversely, members of enhancing cultures may believe their subculture is setting a new path, when in fact it is doing nothing of the sort (T2).

For further research as well, a comparative analysis of values of subcultures, an analysis of subcultural perceptions aids in understanding the motivations behind why a subculture evolves into a counterculture. It seems that effective communication to re-orient these subcultures could be achieved through addressing subcultures separately rather than by department or faculty and tailoring the message to specifically suit each subculture, however further research would need to be undertaken to confirm this.

It can be seen that the dominant age for all subcultures is 50-62 years, this is a characteristic of the organisation that the greatest majority of staff is over the age of fifty. However, it should be noted that when referring to the subculture one as market mentors, this is in relation to tenure; there are newcomers to the organisation who are being mentored but that doesn’t mean that these members of the subculture are fresh out of university. Conversely, it could be that the mentors are the newcomers who are mentoring the older members based on their experiences in higher education beyond the organisation. The issue of tenure also seems the dividing factor between subcultures three and four. They are very similar in all characteristics with the exceptions of the strength of values and differences in length of tenure. The following hypothesis considers the importance of tenure in relation to subculture types.

The third hypothesis was: members of clan-type subcultures have longer tenures than those of market-type subcultures.

This hypothesis was developed based on the premise that the preferred culture in many higher education institutions and in Hungary seemed to be a clan culture type (Obenchain et al., 2004; Shirbagi, 2007). Furthermore, the literature indicated that with the change of orientation due to governmental and market pressures, a market culture is found to be emerging in HEIs. The hypothesis also considers the aspect of resistance to culture change in that those with longer tenures are clinging to the clan culture type rather than, say, an emerging market type and likewise, the employees with shorter tenures are relatively new and it is hypothesised that relatively new employees enter the institution with an openness to the emerging market type rather than be moulded into a clan type. The acceptance of the hypothesis does not indicate that there is a direct correlation between tenure and culture type as there are many other
variables that may moderate this relationship but it may be said that clan type subcultures are made up of employees with long tenures and conversely that the market type contains employees with shorter tenures. Further research might point to this clan culture type belonging to the pre-merger culture types or related to values that existed in socialist times prior to the changeover in the late eighties and early nineties in Hungary. A longitudinal study might provide insight into the dynamic cultural changes that take place over the long term associated with length of tenure.

In summary, in answering the research question *What types of subcultures form in this case study?*, it can be said that results have been found to indicate the types are wide ranging in terms of size and culture type as well as how they relate to the greater organisation. The common characteristics aid the process of classifying each subculture according to an identifying name and cliché. Furthermore, the following theses can be put forward concerning the subcultures found in this study:

*In a large complex organisation, employees with similar values are not guaranteed to belong to the same subculture, as similar subculture types may be divided by other differences such as strength of values and length of tenure. Subcultures may share values with one another but not with the organisation. Thus, a subculture may be an enhancing subculture not for the organisation culture, but for another subculture (T3).*

The practical issue in relation to the need to align subcultures to the organisation is related to the second research question: *Are subcultures entirely homogenous or have elements of heterogeneity?* To answer this research question, an investigation was undertaken into the specific six dimensions given in the OCAI questionnaire: dominant characteristics; organisational leadership; management of employees; organisation glue; strategic emphasis; and criteria of success. The hypotheses relating to this were: H4 stated that the larger the subculture, the greater homogeneity within the subculture; H5 was that all subcultures prefer the clan culture type to be the dominant characteristic of the organisation; and H6 stated organisational leadership is perceived as more based on a market-culture than members of subcultures would prefer.

**The fourth hypothesis was: the larger the subculture, the greater homogeneity within the subculture**
This hypothesis was concerned with a combination of the variables from hypothesis one and two, i.e. the size of subcultures and the homogeneity within subcultures and was based on a combination of findings from the literature review concerning the spreading of values through interaction and it was decided that if interaction is a key factor in the creation of subcultures, then it may be that the more people in a subculture, the greater the interaction and therefore the greater the sharing of values over time.

The finding was that the hypothesis was accepted: larger subcultures have greater homogeneity in this organisation. This finding sheds some light on answering the research question concerning whether all subcultures can be considered entirely homogenous internally or if there are varying levels of homogeneity. In the literature review the studies of Schein (1985), referring to pivotal and peripheral values, and Hatch (1997), referring to varying levels of fragmentation of subcultures, alluded to this possibility. Furthermore, this finding may be related to a key element of the definition of subcultures: that interaction is required for subcultures to exist, but more than that, it follows from this concept that the following thesis can be put forward:

Subcultures are formed through interaction and interaction causes the sharing of values, and the larger the subcultures, the larger the potential for interaction and the sharing of values through a higher number of members, resulting in greater homogeneity of values within the subculture (T4).

In a matrix organisation, the interaction may yet be at a greater level when compared with other more hierarchical structured organisations in higher education, although further research would be required to confirm this.

The thesis indicates that increased subculture size results in the ‘smoothing out’ of differences in values between members in the subculture. Thus, as found in the literature, if the strength or weakness of a (sub)culture is claimed by Nahavandi and Malekzadeh (1993: 19) to include ‘thickness’ of the subculture (the number of shared beliefs, values and assumptions), i.e. the proportion of organizational members who share in the basic assumptions, and the clarity of the order of values and assumptions in terms of which are major and which are minor. Based on the findings for the organisation, subculture size could be added as an additional factor indicating the strength or weakness of a subculture. Further research would have to be
undertaken to confirm it, but it seems from these preliminary findings not only that there is strength in numbers, but that there is a stronger culture in larger numbers. This would be of importance to practitioners as a strong culture not only provides a strong sense of identity and clear behaviours and expectations, it is also more prone to resisting change.

The fifth hypothesis was: all subcultures prefer the clan culture type to be the dominant characteristic of the organisation.

It should be noted here that the dominant characteristic of the organisation indicates a values preference for the entire organisation, whereas the dominant type of culture for each subculture refers to the values of the members in respect of that subculture rather than the preferred state of the organisation as a whole. This hypothesis was based on the supposition that the clan culture type was seen as ‘the good old days’ in the organisation with a collegial culture type and the assumption that a subculture does not necessarily desire the greater organisation to have the same values. A nostalgic longing may be heightened as current situations become tougher with greater pressures to publish, institutions receiving less funding, significantly less students being government financed and increased pressure to find ways of generating funds for the organisation. It was found that although there was an element of homogeneity in that four of the five subcultures would prefer the dominant characteristic to be the clan culture type, the largest subculture would prefer the dominant characteristic to be the market-culture and therefore, the hypothesis was rejected. It was an unexpected finding that the organisation would have such a large subculture with a dominant market type. This subculture is seen as a pioneer in the organisation as it is the only one to bow to market and governmental pressures and develop a market focus. If the market culture had indicated a preference for the clan culture as well, then this might be an indication that the market orientation may be seen as an obligation rather than a desire, despite a nostalgic yearning for a very different clan culture. Since the market culture prefers this more, it seems to indicate a certain conviction of intent and determination to continue in a similar vein. In relation to the research question, it seems that there is no black and white answer or distinctive dividing line between the organisation having a heterogeneous or homogenous collection of subcultures. Despite similar functions between subcultures, there is no unanimity on the issue of preferred dominant characteristic, although four out of five subcultures agreeing (albeit the smaller ones) may indicate that there is not complete heterogeneity either. It may be that the smaller subcultures are clubbing together as a means of making their present felt in the face of a larger dominant subculture. This may indicate the need for
research into cases where a dominant larger subculture is found amongst a group of smaller subcultures with consideration of the interplay between the smaller and larger subcultures. Such issues could be investigated as whether the smaller subcultures join in common preferences as a means of gaining strength in numbers or smaller subcultures adhere to the dominant subculture through a desire not to rock the boat, or perhaps through a preference to be on the winning side.

The sixth hypothesis was: Organisational leadership is perceived as more based on a market-culture than members of subcultures would prefer.

According to the Competing Values Framework, leadership roles vary according to the four quadrants, as with the OCAI, and may be seen as follows: for the clan culture, the roles are of a facilitator and mentor; for the adhocracy culture, the roles are those of innovator and broker; for the market culture, the leadership roles are as director and producer; and for the hierarchy culture, the roles are monitor and coordinator (Belasen and Frank, 2008).

The original developer of the OCAI, Robert Quinn co-wrote a book in 2009 about positive transformational leadership in which he further elaborates on these four culture types in the context of leadership and relates them to the Big Five framework of personality traits of Costa and McCrae (1992) and are given as follows (Quinn and Quinn, 2009):

- Market culture values competition and results. The state of mind is purpose-centred: I want to achieve ambitious results and make a difference and be seen. (According to the Big Five framework of personality traits of Costa and McCrae (1992), the trait would be extraversion).

- Hierarchy culture values control, integrity and efficiency. Its quality is to be internally-directed: I am aware of my values and try to live my values because action speaks louder than words. I'm assessing not only others by my values, but also myself... (From the Big Five personality traits: conscientiousness).

- Clan culture is based on collaboration. Here you are other-focused. Others are human being with legitimate needs, feelings and desires. (From the Big Five personality traits: agreeableness).
• Adhocracy Culture’s keyword is to create. You’re externally-open: flexible and willing to learn new things, receive feedback and take in new information and perspectives. (From the Big Five personality traits: openness).

The findings in this study were that four of the five subcultures perceived the leadership of the organisation as being more based upon a market culture’s values than they would prefer with the exception of subculture 3, which would prefer the market aspect of leadership to be more than it is perceived. Thus, the hypothesis was rejected. However, from these findings the following thesis can be put forward:

*The dominant culture type of a subculture cannot be assumed to be the desired organisational leadership type as subcultures may prefer the organisational leadership to exhibit values and traits that are lacking in the subculture and may be seen as more desirable in leadership (T5).*

As with the fifth hypothesis, it seems that a unanimous view on leadership or the direction of the organisation is unlikely from all subcultures. However, this does not indicate complete heterogeneity either as four out of five subcultures agreed on the statement comprising the hypothesis. It was unexpected that subculture three would prefer the leadership to be more based upon market culture than perceived as this subculture’s dominant type is the hierarchy. This may be due to either the subculture perceiving the market culture as being much lower than is necessary to survive in the future or that this is an initial sign of this subculture starting to bend towards the direction of the larger subculture with a market culture type. In other words, the members of the two subcultures may have interacted and through the expression of values, subculture three, despite being a hierarchy culture type, understands the need for a greater market culture presence in the organisation and, with a hierarchical perspective, can only see such a development occurring if it is instigated by the leadership. Therefore, it could be said that hierarchical subcultures first indicate a change of orientation of preference in the orientation of the organisational leadership, however, further research would need to be undertaken to confirm whether these indications are in relation to the leadership or some other variable. A longitudinal study may be the means by which such changes can be detected within the subcultures over a given period of time. In summary, when considering the research question, the thesis can be put forward:
Subcultures within an organisation cannot be simply categorized as heterogeneous or homogenous and the degree of homogeneity or heterogeneity may be dependent upon the theme investigated such as leadership or desired dominant characteristic of the organisation. Furthermore, amongst other possible variables, size has an impact upon the degree of homogeneity experienced within the subculture (T6).

This is a significant finding in relation to current literature as studies such as Martin (2002) and Boisnier and Chapman (2002) point to subcultures as either entirely heterogeneous or homogenous. From a practical point of view, the issue of aligning subcultures mentioned in relation to the previous research question becomes more focussed (see appendix 14 highlighting the differences and similarities for each subculture for all six dimensions).

In an organisation where a monolithic culture is preferred and conformity and unity are central to the organisation’s operations, the discovery of differences in the organisation found in subcultures has the added implication of the need to align these subcultures. Tushman and O’Reilly (1996; 14) see the need to align the organisation as the need for “fit between strategy, structure, skills and culture to reflect changing markets and technology”, which is a similar rationale to the McKinsey 7S model concerned with the alignment of elements to improve performance. In these models, culture is treated as a monolithic whole. However, in an organisation with subcultures these models become more complex. The organisation needs to be seen from a cultural point of view as a collection of subcultures and each subculture has to be related to the strategy and structure of the organisation.

Instead of management asking themselves “how much are subcultures aligned in our organisation?” they need to pose the question: “on which topics are the subcultures aligned or not?”, whilst simultaneously considering the possibility of misinterpretations found in answering the previous research question. Thereby the change process required for the alignment of subcultures (and thereby a stronger culture) becomes more focussed and requires management to consider exactly what aspects need to be aligned from the subcultures, drawing upon Schein’s (1988) concept of pivotal and peripheral values. The areas requiring alignment and those areas of commonality between subcultures may be company-specific, but further research could be undertaken to consider areas perceived as crucial for the alignment of subcultures or, alternatively, searching for correlation between the issues upon which subcultures may have some degree of homogeneity of values and/or perceptions, perhaps
based on a particular industry or sector. Based upon the findings however, it can be put forward that:

*There can be no single change process for alignment of all subcultures in a particular organisation as subcultures have a range of common and differing values, with each culture varying in the extent of commonality relative to the desired direction of the organisation and each subculture containing a varying combination of desirable and undesirable values and perceptions i.e. the alignment process must be subculture specific and subculture centred. (T7).*

Based upon this thesis it becomes a management task of self-reflection as to which values are considered desirable and undesirable and perhaps then undertaking a cost benefit analysis to help decide whether the alignment of subcultures is a viable option or not.

The third research question was: *Does the existence of subcultures enhance the organisation’s market orientation?* The three hypotheses used to uncover an answer to this question were: H7 stated that the lower the heterogeneity within subcultures, the greater the market orientation (student, competition and cooperation combined); H8 was that clan culture types have as high a market-orientation (student, competition and cooperation combined) as market-culture types; and H9 concerned the relationship between student and cooperation orientation being strongest across all subcultures. These hypotheses were based upon the literature relating to market orientation and culture type.

**The seventh hypothesis was: The lower the heterogeneity within subcultures, the greater the market orientation (student, competition and cooperation combined).**

This analysis was carried out by considering the difference in values within each subculture and then mapping this difference again the three market-orientations given by respondents in each subculture. There is limited literature available combining the homogeneity of subcultures and market-orientation. Perhaps the study by Schouten and McAlexander (1993) comes the closest when they deal with one subculture (the Harley Davidson subculture) and its market impact as a consumption subculture although this study is concerned with the consumer side of the market, more specifically, consumer behaviour. Assael (1998: 509) also suggests that subcultures have the same spending habits and indicates that this consumer behaviour may be based upon three factors: the distinctiveness of a subculture; the
homogeneity of the subculture; and subcultural exclusion. Although this literature is concerned with the consumer behaviour rather than the market-orientation in an organisation, it served as an inspiration for creating the hypothesis. Thus, it was suggested that a relationship exists between homogeneity within subcultures and market orientation i.e. that the lower the homogeneity of values in a subculture, the less likelihood that members shared a common orientation. The hypothesis was rejected.

Although the homogeneity did vary within the subcultures this is only one factor in the literature and the fact that we are dealing with market-orientation rather than consumer behaviour may account for the results appearing to fly in the face of existing studies in this area. It was unexpected to find that for this study, subculture five was relatively homogenous and yet was the most distinctive and that subculture three was less homogenous and yet more distinctive. In contrast to this, the findings of Assael (1998) indicate that a subculture has greater influence over its members if the following three elements exist within the subculture: high homogeneity; high distinctiveness; and high subcultural exclusion. Subcultural exclusion refers to characteristics within the subculture which result in exclusion from the greater whole. In a sociological context this may refer to behaviours that are acceptable to the members of the subculture but the rest of society may see as unacceptable. In an organisational context, there may be examples of behaviours that result in exclusion of individuals from the perceived dominant organisational culture, however this was not undertaken in this study as it was felt during the pilot that issues concerning exclusion and “pointing fingers” could cause difficulties for completion by respondents as well as an unwillingness of the employees to be the focus of the study, but still it could be seen as a potential research area for continuing the research of this study.

The eighth hypothesis is: Clan culture types have as high a market-orientation (student, competition and cooperation combined) as market-culture types.

It seems an unusual hypothesis to assume that clan cultures have the same degree of market-orientation as market-culture types. However, this is concerned with the higher education concept of market orientation containing the three dimensions: student orientation; cooperation (interfunctional) orientation and competition orientation. In such a case the market culture with an external focus seems logically to have a competition orientation and likewise a clan culture is likely to have a strong cooperation orientation. Thus, it seems that the decider is whether the student orientation is best suited to a market or clan culture type. In
this case, there is no clear winner: from the definition of student orientation as pertaining to a market of potential international students, a market culture appears likely to have the best student orientation, but when considering the current students as the customer with whom colleagues interact on a daily basis, there seems to be some potential for the clan culture to have a higher student orientation with its key dimensions of internal focus and integration as well as flexibility and discretion, the latter being central to dealings with students on a daily basis. Thus, the hypothesis was put forward with market and clan culture having similar market orientations. The findings indicated that there was no significant relationship between all culture types and market-orientations, thus, the hypothesis was rejected. However, as mentioned above it could be said that within the context of this case in higher education, there are certain aspects of market orientation which are confirmed as being closer to the clan culture type i.e. the cooperation orientation and certain aspects closer the market orientation i.e. the competition orientation.

The ninth hypothesis was: For all subcultures the strongest relationship exists between the student and cooperation orientations.

This hypothesis builds upon the seventh hypothesis that was concerned with the relationship between culture types and the three dimensions of market orientation in higher education. This hypothesis considers the strength of correlation between the three dimensions of market orientation in relation to culture type. This concept is that if the market orientation is split into three dimensions, then there must be a relationship between each of these three orientations with each other. This hypothesis considers the correlation of these three dimensions with each of the subcultures. It was found that all subcultures have the strongest relationship between cooperation orientation and student orientation, regardless of culture type with a strong positive relationship (ranging between 0.686 and 0.821) and 100% significance and so the hypothesis was accepted. This aspect of the organisational culture leads to the following thesis:

There is a direct strong relationship between the student orientation and cooperation orientation for subcultures in the organisation, leading to the outcome that as the student orientation increases, the cooperation (cooperation) orientation will also increase in subcultures and vice versa (T8).
Considering a practical example, if a student comes to an employee seeking help or expressing dissatisfaction, cooperation is required not only with colleagues within the same department but with administration, management, and other departments who also teach courses to the same student. Another possible explanation is that through the top-down communication characteristic of higher education institutions, the hierarchy, which is the means by which the desired orientation filters down to lower tiers of employees, has communicated the importance of all three dimensions of market orientation in such a way that when focus is increased on one dimension, focus is also increased upon another. This would explain the strength of correlation between dimensions. However, in order to generalize for higher education, further research would need to be undertaken to test the hypothesis on a wider scale.

In addition to this, one unexpected finding was that the hierarchical subcultures have a strong correlation between the three dimensions. This may be explained using the table below, which is referred to as the ‘competing values map’ (Cameron and Quinn, 1999):

Table 28: The common dimensions of the four cultural types

<table>
<thead>
<tr>
<th>Internal focus and integration</th>
<th>Flexibility / Discretion</th>
<th>External focus and differentiation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clan</td>
<td>Adhocracy</td>
<td></td>
</tr>
<tr>
<td>Hierarchy</td>
<td>Market</td>
<td>Stalinity / Control</td>
</tr>
</tbody>
</table>

Adapted from Cameron and Quinn (1999)

As can be seen from the table, the hierarchy culture type shares a dimension with the market culture type (stability and control), which may explain the strong correlation between orientations for hierarchical type. Furthermore, the hierarchy subculture shares its other dimension with the clan culture type, which also produced strong results for the correlation between market orientation dimensions. Thus, if the two key dimensions of a hierarchy culture are shared with two other culture types which have a strong correlation with the three market orientations, then it is a possibility that these shared dimensions explain the strong correlation of the market orientation dimensions for the hierarchical culture type, although this would be an area for further research to confirm this new hypothesis that shared dimensions of two cultures impact upon a third culture type.
The greatest correlation between the three orientations was found in the clan subcultures, with an internal focus rather than the external focussed subculture. Thus it seems that although there was no direct link between culture type and market orientation of the subcultures (hypothesis six), there is in fact a link between the culture type and the strength of correlation between the dimensions. The fact that clan subcultures have a higher correlation between the three dimensions of market orientation may indicate that through an internal focus and the flexibility associated with a clan culture type, the student, competitive and cooperation orientations form a stronger positive correlation between the three dimensions.

In summary, in answer to the research question concerning whether the existence of subcultures enhance the organisation’s market orientation, it seems that there is no direct discernible relationship, but there are correlations to be found in the dimensions of market orientation. The findings indicate the one aspect of market orientation which sets HEIs apart from many other organisations: the external and internal focus. The clan subculture type has a greater internal focus, and yet also a high student orientation – in fact, the second higher of the five subculture types. However, if the student is the customer and the focus on the customer is seen as an external focus, the question arises as to whether the focus on the student as the customer is really an external focus for higher education institutions, or whether it should be considered as an internal focus, or something in between the two. The student culture is directly affected by the teaching staff, who in turn tends to spend much more time with students than with colleagues. The external and internal focus, central to many models concerning market-orientation, may need reconsideration when applied to higher education organisations. This leads to a new perspective of market orientation in higher education which is reflected in the following the thesis:

*Market-orientation in the higher education institution refers to a combined external focus on competition and an internal focus on cooperation and the student, resulting in clan and hierarchy culture types - not usually associated with market orientation - being seen as market-oriented (T9).*

This thesis is concerned with the meaning of market orientation in higher education. The findings highlight the one aspect of market orientation which sets HEIs apart from many other organisations: the external and internal focus. Lings (1999) suggested a model for both an
internal and external focus of market orientation in the private sector. However, this model referred to a balanced orientation of market and employee orientations and internal marketing. In the model used in this study, market orientation has an internal focus with the cooperation and an external focus with competition orientation. Conversely, the student orientation seemed to be a grey area prior to this study – it was not clear whether the student as a customer is an external factor and a part of the market or the student, who resides in the organisation on a daily basis and affects many areas of operations, should be considered an internal factor. After all, the student culture is directly affected by the teaching staff and vice versa, with lecturers spending tending to interact more with students than with colleagues. The findings indicate that students are part of an internal focus, as seen in the finding that the clan subculture type has a greater internal focus, and yet also a high student orientation.

The implications of this finding are that a market-orientation becomes more about an internal focus than external focus for the organisation as two out of three elements are concerned with this focus. However, if a balance is to be achieved between internal and external focus as recommended by Lings (1999), then it seems the strength of the internal focus may in turn weaken the external focus as market orientation is too heavily oriented towards internal issues. This was also confirmed in this study as the market subculture exhibited low results for a competitive orientation which is usually associated with an externally focussed market-type subculture.

Literature indicates a link between orientation and culture type, such as Papadimitriou and Kargas (2012) who found a relationship between organisational culture and market orientation and Lumpkin and Dess (1996), who found a relationship between organisational culture and entrepreneurship orientation. However, there were no such findings in this study. This may be due to the fact that perceptions of market orientation differ across subcultures to such an extent that there can be no discernable correlation between market orientation and culture type for all individual subcultures when combined for signs of correlation. This aspect was further investigated through examining individual values for each respondent correlating to orientations in each subculture (the significant correlations are listed by statement and associated market orientation in appendix 16).

An unexpected finding was that even within the same subcultures there are correlations of certain values with more than one orientation as can be seen in subculture one for the
direction within the organisation being regarded as an example of rationality, purposefulness, and of a focus on results. The fact that this value is correlated with two different perceptions of market orientation (student and cooperation orientation), albeit low correlations, seems to indicate that respondents felt this value was geared towards both orientations. The value includes a concept of determination and a focus on results, which perhaps relates to the aspects of students constituting the end product in relation to the student orientation. When considering the cooperation orientation, the correlation with this value may be related to the point mentioned earlier in this section concerning hypothesis seven, that student and cooperation orientation are strongly linked with one another as solving student problems can only be achieved through interaction and cooperation with other functions such as administration and management, and other departments as well as other colleagues. However, if this were the case then for each value relating to a student orientation, there would be a corresponding cooperation orientation. In this subculture, this phenomenon at first glance appears again as the value associated with human development and a high degree of trust, openness and participation is correlated (low-moderate relationship) with both a student and a cooperation correlation. However, there is one important difference: the student orientation is in fact a negative moderate relationship. Therefore, it cannot be concluded that certain values may be correlated to more than one market orientation. This is further confirmed when the same value is found in the fourth subculture correlating to a student orientation and in the fifth subculture correlating to cooperation orientation. The former represents a strong positive relationship and the latter a moderate positive relationship with high significance indicating that within this subculture the subculture sees rationality, purposefulness and a focus on results as both applying to a student orientation as well as between functions in the organisation (cooperation).

8.1.1 Additional outcomes of the study
As it appeared that subcultures did become more heterogeneous in respect of values with decreasing size, a further investigation was undertaken to consider whether perceptions also fit this pattern within subcultures. The following table considers perception of the organisational culture according to each subculture and it can be seen that once again there is a correlation between decreasing size and increasing standard deviation:-

<table>
<thead>
<tr>
<th>Subculture (in order of size)</th>
<th></th>
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</table>

Table 29: Standard deviation of perceptions of organisational culture within subcultures
Thus, it seems that for both organisational values and perceptions, there is a correlation between subculture size and homogeneity / heterogeneity as shown by the size of standard deviation. Therefore, the relationship between perceptions and size for these subcultures seems to be similar to that between values and size referred to in hypothesis four. Further investigation would need to be undertaken to uncover if such a relationship occurs for subcultures generally in higher education institutions.

Furthermore, the fact that the merger has not resulted in a single common culture after more than 10 years seems to point to a certain inevitability of subcultures continuing to survive in higher education institutions despite major transformation efforts such as a merger and the introduction of a matrix structure. Regarding acculturation in merged organisations (Heidrich and Chandler, 2011); it seems that acculturation may have taken place across physical boundaries with subcultures forming across all locations, although a longitudinal study may be necessary in identifying the acculturation mode in this case study.

8.2 Contributions of the Study
This study builds upon the hierarchical cluster analysis used to identify subcultures and presents a methodology for making a direct comparison between the organisation and subcultures as a means of discovering and contrasting their adherence to the organisations values and perceptions. Furthermore, it is through this methodology, the instruments used and findings of this study that subculture profiles can be developed (see appendix 15). These subculture types may be found in other higher education institutions or further afield in the private sector. The subculture profiles highlight the conflicting aspects of subcultures as referred to by Martin (2002), especially in terms of whether the subcultures view themselves as competing with other subcultures (market), value unity (clan) or demand conformity (hierarchy).

When relating the findings of this study to the fields of sociology, organisational behaviour and organisational culture, the literature review of this study focussed on two key areas: the

<table>
<thead>
<tr>
<th></th>
<th>1 (140 members)</th>
<th>2 (84 members)</th>
<th>3 (44 members)</th>
<th>4 (30 members)</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.40</td>
<td>20.77</td>
<td>23.76</td>
<td>24.76</td>
<td>27.73</td>
</tr>
</tbody>
</table>

*These figures are not standardized
three cultural perspectives presented by Martin (2002) and the link between peripheral and pivotal values in assessing whether a subculture is considered an enhancing, orthogonal or counter culture (Schein 1985, 1988). If the findings of this study are applied in this context the following model can be created of the subcultures according to culture type and pivotal / peripheral values:
As can be seen from the above figure, there is a combination of integration (the whole sample), differentiation (competing subcultures) and fragmentation (residuals that do not fit any category). This confirms the claim by Martin (2002) that these perspectives or levels are seen to exist simultaneously throughout organisations. Furthermore, there are examples of enhancing (hierarchy subcultures) and orthogonal (clan and market subcultures) in relation to the organisation’s hierarchy culture, as claimed by Schein (1988). However, there is an important difference in the findings of this case. It seems that subcultures may exist separately with the same culture type, but with different characteristics within the subculture as well as a different strength of that culture. Thus, the thesis is put forward that:

Organisational culture may be composed of a combination of subcultures with the same culture type, a dominant subculture and outliers, exhibiting signs of integration, differentiation and fragmentation simultaneously within one organisation (as shown in the figure) and that subcultures have a dual nature of pivotal values in relation to the organisation and other subcultures e.g. they may be counter to the organisation and enhancing in relation to another subculture (T10).

The figure also highlights the dual nature of subcultures in that they may be considered not only in terms of having pivotal and peripheral values in relation to the organisation as in the case of enhancing, orthogonal and counter cultures, but that a subculture can be considered in terms of whether it has the same pivotal values as another subculture. In this way, two
subcultures may be seen in terms of the extent to which their pivotal and peripheral values enhance one another as well as the organisation. Thus, the subcultures are not differentiated entirely and may in fact reinforce one another. Boisnier and Chatman (2002) refer to the value-reinforcing of subcultures only from the point of view that counter cultures strengthen dominant cultures through questioning values and thereby, strengthening a commitment to values through resistance and provoking a value reinforcing response. Hopkins et al. (2005) refers to subcultures reinforcing behaviours, but not the reinforcement of values across subcultures.

Such reinforcement of values by subcultures may be seen in the larger society as in the Harley-Davidson consumption culture. Schouten and McAlexander (1993) found a number of diverse subcultures: “Ma and Pa bikers” (semi-retired or retired, working-to-middle-class couples); “RUBs” (rich urban bikers); and “Club bikers” such as the Hell’s Angels. These groups formed subcultures with distinct boundaries and regular interaction, and yet with differing peripheral values. For example, the Hell’s Angels were anti-yuppie (RUBs) and yet the pivotal value of being a Harley-Davidson owner was held by all subcultures and enhanced a common consumption behaviour of buying Harley-Davidsons and their associated accessories as well as an extraordinary brand identification. This finding of differentiated subcultures reinforcing one another is therefore confirmed by the findings of the Harley-Davidson study.

The implication of this finding is that any attempts at changes to a subculture may in turn have an impact upon another subculture in the organisation if the one has been reinforcing the values of another. This may be a positive or negative outcome for the organisation. For instance, if a subculture is reinforcing values counter to those of the organisation, actions to change one subculture may in turn reduce this reinforcing of counter culture values. Conversely, a subculture may develop as counter culture values through a perceived negative change within the organisation such as through a merger which in turn will be passed on to a subculture or number of subcultures which it reinforces.

The existence of subcultures causes increased complexity in the culture of an organisation and in respect of this thesis, it seems that beyond a subculture audit for identifying subcultures, their values and (mis)perceptions, the organisation will also need to consider the impact that one subculture could have upon another. The findings of one subculture impacting upon
another would also need to be examined in further studies on a larger scale, preferably through longitudinal studies to discover the dynamic nature of the reinforcement of values between subcultures.

Finally, the complexity highlights the need for further developments in theoretical knowledge of subcultures as the findings indicate that a subculture cannot be considered entirely and exclusively homogenous or heterogeneous, but rather may have aspects of heterogeneity in relation to other subcultures (by culture type), but homogeneity in relation to perceptions about leadership or the preferred dominant characteristic of the organisation, as mentioned in the findings and discussion sections. In fact, it may be even more complex with a majority of small subcultures experiencing homogeneity in a number of areas, whilst the large dominant culture stands alone. The reasons for the joining together of small subcultures on certain issues and the large dominant standing alone may indicate the awareness of a cultural threat from the larger culture and the emerging need for small subcultures to join forces, or may indicate the indifference of the large dominant culture to the values and perceptions of smaller subcultures or its inherent competitive nature as a market culture. Whatever the reason, the findings indicate potential paths for further development of theory.

Hopkins, Hopkins and Malette (2005) indicate that strategy implementation is impossible without subcultural alignment when providing practical examples for implementing change. Gerdhe (2012) conducted a study into the policies that assist in the alignment of subcultures through the assessment and improvement of the visioning process, the communication of values to various subcultures and if the artefacts and behaviours support the vision and values, then subcultural alignment can take place, through which companies can create a strong culture (Gerdhe, 2012; 13). When considering practitioners, the study underscores that the organisation needs to consider whether the path to success is through a homogenous culture demanding conformity from its members or a ‘subcultural approach’, which would affect organisational functions such as human resource management (Palthe and Kossek, 2002) and marketing, as can be seen in this case, with the varied range of market-orientations found within one organisation.

When organisations wish to develop a strong culture in large complex organisations with a high likelihood of subcultures, then, according to the studies mentioned, subcultures may be aligned as a means of strengthening the culture. Based on the findings, the following model is
proposed as a process by which organisations may seek to strengthen organisational culture through the alignment of subcultures:

Figure 28: The change management process for aligning organisational subcultures

In the figure, it can be seen that this is a continuous process as it is assumed that cultures and subcultures are dynamic in the organisation and that through interaction, as was suggested in the discussion part of this study, when one subculture changes another may respond in kind either following the new set of values, taking them on partially (as in this case when subculture three expected the leadership to take on a market-culture style of leadership despite being a hierarchy subculture type), or rejecting them partially or fully. Alternatively, this model could be applied in practice as a means of conducting a ‘subculture’ audit prior to the commencement of any change processes or when looking to implement a change in the direction of the organisation.

For academics, one particular finding highlights the significance of tenure in higher education. There have been a number of arguments put forward by academics and non-academics alike on the issue of whether or nor tenure is good to have in a higher education institution (Batterbury, 2008; Liu & Mallon, 2004). This study has added to this debate through the finding that length of tenure is related to culture type. This means that any change
in the tenure system may have an impact upon the length of tenure (e.g. no longer allowing for the possibility of life-time employment), which in turn may impact upon the organisation’s culture. This study indicates that employees with shorter tenures tend to be part of the market-culture and therefore, if the organisation in this case study wants to become more market-focussed, then this data may be used to their advantage. For example, staff with shorter tenures could be used as the source through which a market-focus is encouraged in the organisation, such as by setting up “market-circles” (rather than quality circles) with each group containing a member with shorter tenure / market-culture type who would chair monthly workshops to consider how each individual may become more market-focussed in their respective positions. Further research would have to be undertaken on a larger scale to confirm if market-focus and length of tenure have a direct relationship with each other, in conjunction with other variables seen to impact upon culture type.

A key finding of subcultures was that they can neither be considered entirely heterogeneous across subcultures nor entirely homogenous within the subcultures. According to the competing values framework, this aspect of homogeneity within a subculture referred to as cultural congruence. This means that the six dimensions of culture in the framework are aligned. Thus, if a subculture is to be considered congruent then the values relating to strategy, the leadership style, criteria for success, management of employees, dominant characteristics, and organisational glue are all similar. This was referred to in the findings as the deviance within each subculture. If a subculture were deemed to be incongruent then there may be conflicting values as, for example if hypothetically in subculture five, the values relating to leadership focus on the people with a clan culture type, whereas the criteria for success might be the market type then the outcome will be confusion, ambiguity and uncertainty. Staff may desire to follow their values relating to clan but be judged by the organisation on performance and results such as publications, acquiring funding through EU tenders and so on. Thus, members of each subculture may be faced with these conflicting values, which may be termed subcultural incongruence. This conflict of values may also happen on an organisational level, which is further heightened by the conflicting values across subcultures as well. It was also found that subcultures are not based upon department or location so it is plausible to consider a situation when members of different subcultures are meeting to discuss organisational issues or make decisions and in such a situation, the findings indicate the following impacts upon a subculture:
This model serves to indicate the uncertainty and potential impact upon decision making through conflicting values found in the higher education institution. The evident ensuing conflict and discomfort of members in such a situation may well stimulate change and be the impetus for an alignment of subcultures. It was found in the literature review that higher education cultures are characterised as values driven, but in such a context of multiple subcultures and the potential for uncertainty and conflict, the question arises: Whose values exactly are driving the organisation? This does pose an argument for encouraging conformity and unity in the organisation, purely out of a desire to reduce a high level of complexity and obstacles which may hinder decision-making and overall performance.

When considering the arguments for and against conformity and homogeneity in the organisation, it should be noted that for market orientation, the findings seems to indicate that different subcultures have a focus on one particular element from the three dimensions of market orientation (student, competition and cooperation orientations). As seen in the findings, the clan subcultures have a dominant perception of the cooperation orientation and the hierarchical subcultures a dominant perception of the student orientation. Although the market subculture had a high student orientation, it was the highest in competition orientation.
across all subcultures. Therefore, despite this anomaly, there appears to be an argument in
favour of multiculturalism i.e. an acceptance of the existence of subcultures, as each
subculture has a difference dominant aspect of market orientation and when they are all
combined, cover all elements of a market orientation in higher education. Thus, the thesis can
be put forward:

*Multiculturalism is the preferred perceptive of organisational culture in the organisation as
each subculture type has a particular ‘specialisation’ on one particular element of market
orientation, through which a combination of these subcultures leads to ‘all bases being
covered’* (T11)

This is illustrated in the following figure:

![Figure 30: The contributions of subcultures to market-orientation](image)

Having a single culture type in the organisation, may well lead to a lower overall market
orientation, although further research would need to be undertaken on a larger scale to
confirm that by getting rid of one or more subculture types actually reduces the strength of
market orientation overall.

Finally, the issue of person-organisation fit has been covered in literature (Billsberry et al.,
2005; Bowen et al., 1991; Chatman 1989) in relation to the impact upon organisational
performance, especially in relation to a person fitting into the culture. This has a knock-on
effect upon Human Resource Management and associated recruitment and selection processes
and studies have shown that subcultures also are a factor for consideration for HR strategy in
employment models (Palthe and Kossek, 2002). Through highlighting the complexity and
overlapping values of subcultures, this study highlights the need for an in-depth analysis
identifying subcultures and their levels of homogeneity / heterogeneity prior to creation of HR strategies. In this way, it may be found that the core values of the organisation may, for example, be held by all subcultures and in this way the need for consideration of subculture as prescribed by Palthe and Kossek (2002) may be unnecessary. On the other hand, if the majority of employees within a department are, let’s say, career-building rookies then it would be the HR strategy may require the recruitment and selection procedures to stipulate that the applicant should fit or at least show the potential to adapt to the subculture in which they will be working.

8.3 Limitations and Direction for Future Research
This study is concerned with one organisation, in which five subcultures were identified, based on a 34% response rate. Whilst this may be seen as representative of the organisation, it is not possible to generalize beyond the institution used for this case study. When planning the research, it was considered that culture and subcultures were such a complex issue that it should be handled on a single case basis, although there is potential for more extensive research in which a number of subcultures are identified in a number of institutions of higher education and correlations are found for all the subcultures identified. However, if as found in this study, one subculture appears to impact upon another, any attempt to correlate a range of subcultures across a range of HEIs, may overlook this interrelationship. On the other hand, a higher number of subcultures gives a larger sample size, which in turn may produce significant correlations.

The subject of the study is a matrix organisation with employees spending their working hours either at one or a combination of locations for between around three to six days a week. This is just one example of the peculiarities of the higher education institution as an organisation. However, it does give another example of the lack of generalizability of this case study and the need for research along the similar lines as well as further afield. The OCAI has been used in the private sector as well as a number of other governmental organisations, but the market orientation questionnaire is only suitable within higher education – thus another questionnaire should be used such as the MARKOR or the MO questionnaire – both of which have been used to investigate market orientations of organisations in the private sector and are based on the same theory (Narver and Slater, 1990) which was used for the market orientation questionnaire utilised in this study. Furthermore,
there has been significant upheaval within the organisation since this study was carried out with a significant number of members over the age of 62 going into retirement. A *longitudinal study* may produce some interesting findings with regard to the dynamic nature of subcultures, not only considering the lowering of the average age of staff but also in the example of the market subculture which was found to have a mentor subculture with a combination of long and short tenure groups. The shorter tenure members of the subculture may now be left to cope with the absence of the mentors. In this sink or swim situation, it would be interesting to discover not only the coping mechanisms but whether the subculture continues with this market culture domination, if the values weaken or strengthen or perhaps the subculture merges with one of the other subcultures with common pivotal values such as the hierarchy with common values of stability and control. The ‘younger organisation’ may affect not only the aspect of mentoring in subcultures but also the apparent nostalgia and attitudes towards cooperation, the student and competition i.e. all elements of the market orientation.

A potential weakness of this methodology is that if one wants to get a true picture of all the subcultures that constitute the organisational culture then a *very high response rate* would be required. In this study with a 34% response rate, five subcultures were found, but it cannot be declared that the remaining respondents were members of these five subcultures or that there would have been more subcultures to be found with a larger sample. However, in defence of this criticism, it is unrealistic to expect response rates of 90-100% with high response rates for such studies being: Tan and Vathanophas (2003) with a 63% response rate; and Hofstede (1998) with a 76% response rate. Even regarding Hofstede’s case study, a 76% response rate constituted 1295 individuals (Hofstede 1998; 3) meaning that 408 individuals were unaccounted for and could constitute at least one or more subcultures. Thus it can be said that in this area of research, it is hard to pinpoint the exact number of subcultures and, bearing in mind the findings of this study concerning the importance of size of subcultures, we can get a rough idea of the size and number of subcultures, much in the same way that a more general study of, say, universities in Hungary can with a response rate of 30-40% suggest certain correlations even though a much higher response rate would be ideal.

One challenge with regard to this and other studies of subcultures is that of proving that *sufficient interaction* takes place within a group with common values to constitute a subculture. This study has strived to ensure that sufficient interaction can be seen to exist
between members in a subculture to accept this assumption through the inclusion of a question about this in the survey and forming networks of the respondents for each subculture by location to show interaction, as exemplified in figure 26. However, there is potential for further research into methods to reduce this limitation. Recent research into reality mining in studies such as that of Han et al. (2014) have delved into the complexities of social interaction patterns using call and proximity logs simultaneously, which indicate the potential for similar research in the context of subcultures in higher education. This detection of the interaction of subcultures through the use of Big Data is already being seen in society. Encheva et al. (2013) studied the ‘mediatisation’ of criminal and deviant subcultures and using a wealth of data on the subculture through the groups actions being photographed, video-taped and archived online as part of collective memory acting as ‘group-life streams’ and grand narratives. This indicates that there is a potential wealth of digital data which may aid in our understanding of the interactions within and across subcultures in the organisation of this study. Furthermore, this media aspect of the recorded data for subcultures was also found to result in subcultures starting to lose their rebellious and oppositional image and increasingly become part of mainstream culture. Encheva et al. (2013) also found that this mediatisation aspect also led to increased commercialization and commodification. It would be an interesting area for research into whether such findings could also be considered within the context of the commercialization and commodification of Hungarian Higher Education.

As a final point, the author is aware that for any study into organisational culture a qualitative approach would allow for greater depth of analysis into the organisation’s culture. Subsequent to the quantitative findings, a qualitative study was undertaken using focus groups divided according to subcultures. However, as the quantitative study provided a wealth of interesting data and the inclusion of qualitative findings would have resulted in breaching the required word limit for this dissertation, the author took the decision to exclude these findings from the dissertation. The potential for future studies into organisational subcultures using solely a qualitative approach with tools such as cognitive mapping would be insightful into the workings of these subcultures.

8.4 Summary
The title of this study was ‘The alignment of organisational subcultures in a post-merger business school in Hungarian higher education’ and it seems that the nature of subcultural alignment of perceptions and values both within the subcultures, across subcultures and in
relation to perceptions of the organisation have been successfully identified. Unfortunately, the findings relating to the organisation here cannot be generalized or confirmed for Hungarian or any other institutions. The data shows that at the organisation there are five subcultures and that some subcultures appear to actively differ in type from the perceived organisation, others strive to be the same and others still strive to be the same as the organisation but are actually not, due to misperceptions of what the organisation’s dominant culture type actually is. A majority of the organisations perceived the organisation as a hierarchy culture type and displayed a desire for the organisation to actually be a clan type. This seems to indicate a desire for the times before the changeover when the system was more supportive of higher education. It also indicates that the organisation is seen as suiting a clan type, even though only two out of the five subcultures displayed dominance for the clan culture type. Thus, there appears to be an expectation in the organisation that it plays the roles of being a people-focussed beneficial overseer, which may be contrasted with the organisation looking to staff to perform and achieve in light of increased financial pressures.

The subcultures displayed some aspects of homogeneity across the majority of them in terms of preferred market-orientation of the leadership, preferred culture type of the organisation and perceived culture type. However, the subcultures rarely had uniform values and perceptions across all of them. The heterogeneity of subcultures is just one aspect causing conflict which when combined with cultural incongruence on the part of the organisation and subcultures as well as misperceptions within subcultures, can result in one wondering how members cope with the confusion, conflicts and misunderstandings that arise during the course of daily routines.

This study adds to the question of what makes a subculture enhancing, orthogonal or a counter culture. It seems the answer is not black and white. Pivotal values may be shared with the organisation or pivotal values may even be shared between subcultures, which may not be considered pivotal from the organisations point of view. If a large number of subcultures constitute the bulk of the organisation and share pivotal values, then surely these are the values which the organisation’s management must consider in relation to their espoused values. The question begging to be asked is whether alignment of such diverse and conflicting subcultures is truly necessary and recommended. If the true state of the higher education institution culture is one where subcultures and conflict have always existed, then it stands to reason that coping strategies have also been developed to cope with this situation. Rather than
fixing something that is broken, it may be the case of ‘letting sleeping dogs lie’ or at the very least of assessing the pivotal values that are key to the successful operation of the organisation and examining which subcultures exhibit which of these values. Thereby, damage through the changing of subcultures steeped in tradition and with high autonomy may be limited. A further process for limiting the potential damage by attempting to enforce conformity and unity in subcultures may be through a subcultural audit. A model for this has been put forward in this study. In spite of a number of hypotheses being rejected, these data reveal some interesting observations in regard to academic subcultures, leadership and market-orientation which this researcher hopes will serve to provoke fruitful discussion and further research as well as have a minor impact on the literature of the profession.

8.5 Collection of theses

T1: A matrix structure does not guarantee conformity of values or a single monolithic culture and pre-existing divisions found in previous studies cannot be assumed to exist in subcultures, regardless of the similarities between studies.

T2: Whilst countercultures may be deviant subcultures, countercultures may not emerge in the organisation out of a conscious decision to oppose existing organisational values as members of countercultures may not see themselves as counter to the values of the organisation; and conversely, members of enhancing cultures may believe their subculture is setting a new path, when in fact it is doing nothing of the sort.

T3: In a large complex organisation, employees with similar values are not guaranteed to belong to the same subculture, as similar subculture types may be divided by other differences such as strength of values and length of tenure. Subcultures may share values with one another but not with the organisation. Thus, a subculture may be an enhancing subculture not for the organisation culture, but for another subculture.

T4: Subcultures are formed through interaction and interaction causes the sharing of values, and the larger the subcultures, the larger the potential for interaction and the sharing of values through a higher number of members, resulting in greater homogeneity of values within the subculture.
**T5:** The dominant culture type of a subculture cannot be assumed to be the desired organisational leadership type as subcultures may prefer the organisational leadership to exhibit values and traits that are lacking in the subculture and may be seen as more desirable in leadership.

**T6:** Subcultures within an organisation cannot be simply categorized as heterogeneous or homogenous and the degree of homogeneity or heterogeneity may be dependent upon the theme investigated such as leadership or desired dominant characteristic of the organisation. Furthermore, amongst other possible variables, size has an impact upon the degree of homogeneity experienced within the subculture.

**T7:** There can be no single change process for alignment of all subcultures in a particular organisation as subcultures have a range of common and differing values, with each culture varying in the extent of commonality relative to the desired direction of the organisation and each subculture containing a varying combination of desirable and undesirable values and perceptions i.e. the alignment process must be subculture specific and subculture-centred.

**T8:** There is a direct strong relationship between the student orientation and cooperation orientation for subcultures in the organisation, leading to the outcome that as the student orientation increases, the cooperation (cooperation) orientation will also increase in subcultures and vice versa.

**T9:** Market-orientation in the higher education institution refers to a combined external focus on competition and an internal focus on cooperation and the student, resulting in clan and hierarchy culture types - not usually associated with market orientation - being seen as market-oriented.

**T10:** Organisational culture may be composed of a combination of subcultures with the same culture type, a dominant subculture and outliers, exhibiting signs of integration, differentiation and fragmentation simultaneously within one organisation (as shown in the figure) and that subcultures have a dual nature of pivotal values in relation to the organisation and other subcultures e.g. they may be counter to the organisation and enhancing in relation to another subculture.
**T11:** Multiculturalism is the preferred perceptive of organisational culture in the organisation as each subculture type has a particular ‘specialisation’ on one particular element of market orientation, through which a combination of these subcultures leads to ‘all bases being covered’.

**8.6 Tézispontok (collection of theses in Hungarian)**

**T1:** A mátrix szerkezet önmagában nem garantálja az értékek konformitását illetve nem hoz létre egyöntetű, monolitikus kultúrát. A korábbi kutatások felosztásai nem alkalmazhatóak a szubkultúrákra, még akkor sem, ha a kutatási eredmények egymás között hasonlóságot mutatnak.

**T2:** Míg az ellenkultúrák deviáns szubkultúrákként foghatók föl, kialakulásuk nem jelent tudatos szembefordulást a már létező szervezeti értékek tekintetében, hiszen az ellenkultúrák tagjai nem gondolják magukról, hogy szembeállnak ezekkel. Ugyanakkor fordíva is igaz: a ráerősítő kultúrák tagjai úgy vélhetik, hogy szubkultúrájuk új irányt mutat, miközben egyáltalán nem ez a helyzet.

**T3:** Egy nagyméretű, komplex szervezetben a hasonló értékeket valló alkalmazottak nem feltétlenül tartoznak ugyanahoz a szubkultúrához, mint ahogy a hasonló szubkultúratípusok is tovább differenciálhatók a vallott értékek intenzitása illetve a hivatali idő hosszúsága szempontjából. A szubkultúrák rendelkezhetnek azonos értékekkel, de ezek nem feltétlenül egyeznek a nagyobb szervezeti egység értékeivel. Ily módon az adott szubkultúra nem a szervezeti kultúrát erősíti, hanem egy másik szubkultúrát.

**T4:** A szubkultúrák az együttműködés mentén jönnek létre, ami aztán az értékek megosztásához vezet. Minél nagyobbak a szubkultúrák annál nagyobb az együttműködés, hiszen a magasabb taglétszám több lehetőséget ad az együttműködésre és értékmegosztásra, így az értékek magasabb fokú homogenitása érhető el a szubkultúrán belül.

**T5:** Egy szubkultúra domináns kultúratípusa nem azonosítható a kívánatos vezetési típussal, mivel a szubkultúra tagjai olyan tulajdonságok és értékek felmutatását várhatják a vezetőségtől, amelyek belőlük hiányoznak és amelyekről azt gondolják, hogy azok inkább a vezetőktől várhatók el.
T6: A szervezet szubkulturáit nem lehet egyszerűen heterogenitás vagy homogenitás alapján kategorizálni, mivel ezek mértéke függ a vizsgált szemponttól, pl. a vezetési típustól vagy attól, hogy milyen domináns tulajdonságot tartanak kívánatosnak a szervezetet illetően. Egyéb lehetséges változók mellett a szubkultúrák ‘mérete’ is kihatással van az adott szubkultúrán belüli homogenitás mértékére.

T7: Egy adott szervezet valamennyi szubkultúrájának integrálását nem lehet egyetlen integrációs folyamattal megvalósítani, mivel a szubkultúrák egy sor azonos és eltérő értékekkel rendelkeznek. A szervezet kívánatosnak tartott fejlődési irányát tekintve a ‘közös nevezők’ eltérnek egymástól, mivel minden szubkultúrán belül más és más a kívánatosnak ill. nemkívánatosnak tartott értékek és érzékelések aránya. Ebből következően az integrációs folyamatnak szubkultúra-specifikusnak és szubcultúra-központúnak kell lennie.

T8: A szervezet szubkultúráiba közvetlen és erős kapcsolat áll fenn hallgatói és az együttműködési orientációk között, aminek következtében a hallgatói orientációval növekedésével az együttműködési orientáció is növekszik és viszont.

T9: Felsőoktatási intézmények tekintetében a piacorientáltság egyrészt a versenyképességire irányuló külső fókusz, másrészt a hallgatói és az együttműködési dimenziók adta belső fókusz kombinációjaként jön létre, melynek következtében klán és hierarchikus kutúratípusok alakulnak ki, amelyek ugyan általában nem kifejezetten piacorientáltak, mégis annak tekintik őket.

T10: A szervezeti kultúra, összetétele szerint állhat azonos típusú szubkultúrákból vagy felosztható domináns és ‘futottak még’ szubkultúrákra, melyekre egyaránt jellemző a nagyobb szervezeti egységen belüli, egy időben végbemenő integrálódás, differenciálódás, ill. fragmentáció. A szubkultúráknak egymáshoz, és a szervezethez való viszonyában az alapértékek tekintetében kettős természet figyelhető meg: a szervezettel szembeállnak, a másik szubkultúrát viszont támogathatja.

T11: A vizsgált szervezet esetében a multikulturális megközelítés lehet a leginkább preferált választás, minthogy minden egyes szubkultúratípusnak megvan a sajátos ‘szakosodása’ a
piacorientáció egy adott elemére vonatkozóan, így a szubkultúrák megfelelő kombinációja révén ‘teljes lefedettség’ hozható létre.
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Source: *www.bgf.hu, 18th June 2012*                                                                                                                                                                          |
| LABOUR MARKETS                                                                     |                                                                                                                                                                                                                      |
| Presentation text: “What is necessary for competitive knowledge?”                  | Slides: Competitiveness (on the labour market) is founded on competencies relating to practice-orientation and use on IT on every course at every level  
Source: Speech given by rector at *Information Society Parliament 2012*                                                                           |
| Rector’s welcome (on website)                                                      | “Graduates … of the (organisation) in the past ten years have become the most widely recognized and the most sought-after experts in the domestic labour market, several of them are prominent personalities of the Hungarian society and economy.”  
Source: *www.bgf.hu, accessed 20th June 2011*                                                                                                          |
| News article: *The organisation was placed high in the admission rank list*         | “College A has reached the second place, College B has reached the third place and College C is among the best 10 institutions.”  
Source: *www.bgf.hu, 12th December 2011*                                                                                                               |
| News article: *Master Courses at a higher level*                                   | “We provide students with the practical competences to work at both SMEs and large multinationals…..”  
Source:  
| News article: *European level MSc centre at the organisation*                      | *The organisation* fits well into the MSc / BSc format whilst universities have to cope with the error that 5 year courses (MSc and BSc combined) were condensed into 3 year courses for BScs”  
Source:  
| News article: *European level MSc centre at the organisation*                      | “On the narrowing market in higher education, the master’s course need to focus on market-oriented, practice based courses building upon competencies and previous traditions…”  
Source:  
<table>
<thead>
<tr>
<th>STUDENT (CUSTOMER) SATISFACTION</th>
<th>Encouraging students to partake in a survey evaluating the courses, staff and institution</th>
<th>Source: <a href="http://www.bgf.hu">www.bgf.hu</a>, 19th June 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>News article: What do you think of the organisation?</td>
<td>“On 28th April, 2010 the organisation received a Higher Education Quality Award in recognition of its outstanding achievement in quality improvement.”</td>
<td>Source: <a href="http://www.bgf.hu">www.bgf.hu</a>, accessed 20th June 2011</td>
</tr>
<tr>
<td>Rector’s welcome (on website)</td>
<td>“The organisation puts a great focus on improving both its educational and methodical toolbars… which can also help effectively the integration of students to the labour market.”</td>
<td></td>
</tr>
<tr>
<td>News article: The organisation is improving its toolbars</td>
<td>Stresses the need to satisfy students as well as teachers and external partners and how levels have improved over the past three years</td>
<td>Source: <a href="http://www.ofi.hu/download.php?docID=2015">http://www.ofi.hu/download.php?docID=2015</a>, 2009 November 27</td>
</tr>
<tr>
<td>Publication: Good practices in the development of quality management of the organisation</td>
<td>“… courses are characterised by a practice orientation, which indicates our continuous connections to stakeholders on the labour market.”</td>
<td>Source: <a href="http://eduline.hu/kozoktatas/2009/3/27/20090327_mesterkepzes_felsofokon">http://eduline.hu/kozoktatas/2009/3/27/20090327_mesterkepzes_felsofokon</a>, 27th March 2009</td>
</tr>
<tr>
<td>News article: Master Courses at a higher level</td>
<td>“New courses can be launched in the countryside and our course profile will be expanded with the college’s technical courses. We are not planning to negotiate with other institutions.”</td>
<td>Source: <a href="http://www.eduline.hu">www.eduline.hu</a>. 12th July 2012</td>
</tr>
<tr>
<td>News article: The independence of Szolnok college may end</td>
<td>“Nowadays there is no difference between universities and colleges in higher education. The priority should be the wide range of courses available….”</td>
<td>Source: <a href="http://eduline.hu/kozoktatas/2009/3/27/20090327_mesterkepzes_felsofokon">http://eduline.hu/kozoktatas/2009/3/27/20090327_mesterkepzes_felsofokon</a>, 27th March 2009</td>
</tr>
<tr>
<td>News article: European level MSc centre at the organisation</td>
<td>The organisation fits well into the MSc / BSc format whilst universities have to cope with the error that 5 year courses (MSc and BSc combined) were condensed into 3 year courses for BScs”</td>
<td>Source: <a href="http://eduline.hu/kozoktatas/2009/3/4/20090304_europai_szinvonalu_mesterkepzes">http://eduline.hu/kozoktatas/2009/3/4/20090304_europai_szinvonalu_mesterkepzes</a>, 4th March 2009</td>
</tr>
</tbody>
</table>
## Appendix 3: Methods used or assessing organisational culture in Higher Education

<table>
<thead>
<tr>
<th>Author</th>
<th>Focus of study</th>
<th>Method for assessing HEI culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Riesman and Jencks (1961)</td>
<td>Studying higher education institutions as cultural entities</td>
<td>Miscellaneous interviews, surveys, statistical data, government documents, and published books and articles</td>
</tr>
<tr>
<td>Clark (1963, 1970)</td>
<td>Study of organisational sagas</td>
<td>Historical documents and interviews</td>
</tr>
<tr>
<td>Tierney (1988)</td>
<td>Higher education: organisational culture characteristics</td>
<td>Interviews and observation</td>
</tr>
<tr>
<td>Becher (1989)</td>
<td>Culture and subcultures of HEIs, with a focus on reasons for formation (discipline, specialisations)</td>
<td>Observation</td>
</tr>
<tr>
<td>Tierney (1988)</td>
<td>Higher education: organisational culture characteristics</td>
<td>Historical documents and interviews</td>
</tr>
<tr>
<td>Becher (1989)</td>
<td>Culture and subcultures of HEIs, with a focus on reasons for formation (discipline, specialisations)</td>
<td>Observation</td>
</tr>
<tr>
<td>Cameron et al. (1991)</td>
<td>Relationship between organisational culture and effectiveness (334 HEIs surveyed)</td>
<td>Organisational Culture Assessment Instrument</td>
</tr>
<tr>
<td>Berquist (1992)</td>
<td>Culture types in American higher education</td>
<td>Case studies from a variety of college campuses</td>
</tr>
<tr>
<td>Sax et al. (1999)</td>
<td>A triennial faculty survey including staff opinions, procedures and perceptions</td>
<td>Questionnaire (The Higher Education Research Institute at The University Of California, 1989)</td>
</tr>
<tr>
<td>Henkel (2000)</td>
<td>The implications of policy changes for academics, administrators and leaders with a focus on academic identities</td>
<td>Interview</td>
</tr>
<tr>
<td>Quinlan and Akerlind (2000)</td>
<td>Departmental subcultures in Higher Education / Disciplinary cultures</td>
<td>Examination of two different cases of department-based inquiry projects</td>
</tr>
<tr>
<td>Kekale (2000)</td>
<td>Quality management in diverse disciplinary settings</td>
<td>Interviews</td>
</tr>
<tr>
<td>Poškienė (2002)</td>
<td>Determining the possibilities of university organisational culture as the complex educational factor of higher education.</td>
<td>Document analysis, observation, 3 questionnaires, interviews</td>
</tr>
<tr>
<td>Berrio (2003)</td>
<td>To describe the dominant culture type – cases study of Ohio university</td>
<td>Organisational Culture Assessment Instrument</td>
</tr>
<tr>
<td>Ylijoki (2003)</td>
<td>Disciplinary culture</td>
<td>Examining research agendas</td>
</tr>
<tr>
<td>Lee (2004)</td>
<td>Departmental cultures in five academic fields and their relationship with institutional culture</td>
<td>Discriminant analyses of five disciplinary fields</td>
</tr>
<tr>
<td>Adkinson and Mulvihill (2005)</td>
<td>Examining organizational culture and subculture in higher education</td>
<td>Organisational Culture Assessment Instrument</td>
</tr>
<tr>
<td>De Zilwa (2006)</td>
<td>Organisational culture and values and the adaptation of academic units in Australian Universities</td>
<td>Semi-structured interviews (112 face-to-face interviews)</td>
</tr>
<tr>
<td>Pushnykh and Chemeris (2006)</td>
<td>Assess organisational culture of a Russian University and develop a plan for change</td>
<td>Organisational Culture Assessment Instrument</td>
</tr>
<tr>
<td>Sanderson (2006)</td>
<td>University organisational culture</td>
<td>Mixed method approach using OCAI, interviewing and document collection</td>
</tr>
<tr>
<td>Ferreira and Hill (2008)</td>
<td>Organisational cultures in public and private Portuguese universities</td>
<td>Organisational Culture Assessment Instrument</td>
</tr>
<tr>
<td>Fralinger, and Olson</td>
<td>Organizational Culture at the University Level</td>
<td>Organisational Culture</td>
</tr>
<tr>
<td>Reference</td>
<td>Topic</td>
<td>Research Methodology</td>
</tr>
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</tr>
<tr>
<td>Trowler (2008)</td>
<td>Organisational cultures in higher education</td>
<td>Previous literature and research projects</td>
</tr>
<tr>
<td>Kleijnena, Dolmansb, Muijtjensb, Willemsa, Van Hout (2009)</td>
<td>Staff members’ perceptions about the organisational culture</td>
<td>Organisational Culture Assessment Instrument</td>
</tr>
<tr>
<td>Naidoo (2009)</td>
<td>The nature of the organisational culture of an HEI and it determines the relationship with external quality assurance in the form of an institutional audit</td>
<td>Semi-structured interviews</td>
</tr>
<tr>
<td>Stakes (2010)</td>
<td>Perceptions of organisational culture</td>
<td>Questionnaire (Brown, 1998) Open-ended, semi-structured interviews</td>
</tr>
<tr>
<td>Gizir (2010)</td>
<td>Interrelationships among factors negatively affecting the communication process among faculty members</td>
<td>Inventory of Communication Analysis in Academic Context (ICAAC)</td>
</tr>
<tr>
<td>Fralinger, Olson, Pinto-Zipp, DiCorcia (2010)</td>
<td>Organisational culture at the university level</td>
<td>Organisational Culture Assessment Instrument</td>
</tr>
</tbody>
</table>
Appendix 4a: OCAI questionnaire (original)

Each question has 4 alternatives. Divide 100 points among these 4 alternatives, depending on the extent to which each alternative is similar to your own organization. Give the higher number of points to the alternative that is most similar to your organization. For example, if you think alternative A is very similar to your organization, alternatives B and C are somewhat similar, and alternative D is hardly similar at all, you might give 55 points to A, 20 points each to B and C, and 5 points to D. Just be sure that your total equals 100 for each item. Please fill in first the left-hand response column labelled „now” and after that the column labelled „preferred”. The responses in column „now” mean that you are rating your organization as it is currently. Complete this rating first. When you have finished, think of your organization as you would like it to be in 5 years. Write these scores in the „preferred” column.

<table>
<thead>
<tr>
<th>1. DOMINANT CHARACTERISTICS</th>
<th>now (total: 100 point)</th>
<th>preferred (total: 100 point)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. The organization is a very personal place. It is like an extended family. People seem to share a lot of themselves.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. The organization is a very dynamic and entrepreneurial place. People are willing to stick their necks out and take risks.</td>
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<tr>
<td>C. The organization is very results-oriented. A major concern is with getting the job done. People are very competitive and achievement-oriented.</td>
<td></td>
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<tr>
<td>D. The organization is a very controlled and structured place. Formal procedures generally govern what people do.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>2. ORGANIZATIONAL LEADERSHIP</th>
<th>now (total: 100 point)</th>
<th>preferred (total: 100 point)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. The leadership in the organization is generally considered to exemplify mentoring, facilitating, or nurturing.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. The leadership in the organization is generally considered to exemplify entrepreneurship, innovation, or risk taking.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. The leadership in the organization is generally considered to exemplify no-nonsense, aggressive, results-oriented focus.</td>
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</tr>
<tr>
<td>D. The leadership in the organization is generally considered to exemplify coordinating, organizing, or smooth-running efficiency.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>3. MANAGEMENT OF EMPLOYEES</th>
<th>now (total: 100 point)</th>
<th>preferred (total: 100 point)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. The management style in the organization is characterized by teamwork, consensus, and participation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. The management style in the organization is characterized by individual risk taking, innovation, freedom, and uniqueness.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. The management style in the organization is characterized by hard-driving competitiveness, high demands, and achievement.</td>
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<tr>
<td>D. The management style in the organization is characterized by security of employment, conformity, predictability, and stability in relationships.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>4. ORGANIZATION GLUE</th>
<th>now (total: 100 point)</th>
<th>preferred (total: 100 point)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. The glue that holds the organization together is loyalty and mutual trust. Commitment to this organization runs high.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. The glue that holds the organization together is commitment to innovation and development. There is an emphasis on being on the cutting edge.</td>
<td></td>
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<tr>
<td>C. The glue that holds the organization together is the emphasis on achievement and goal accomplishment.</td>
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</tr>
<tr>
<td>D. The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important.</td>
<td></td>
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</tbody>
</table>
5. STRATEGIC EMPHASES

<table>
<thead>
<tr>
<th>now (total: 100 point)</th>
<th>preferred (total: 100 point)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. The organization emphasizes human development. High trust, openness, and participation persist.</td>
<td></td>
</tr>
<tr>
<td>B. The organization emphasizes acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued.</td>
<td></td>
</tr>
<tr>
<td>C. The organization emphasizes competitive actions and achievement. Hitting stretch targets and winning in the marketplace are dominant.</td>
<td></td>
</tr>
<tr>
<td>D. The organization emphasizes permanence and stability. Efficiency, control, and smooth operations are important.</td>
<td></td>
</tr>
</tbody>
</table>

6. CRITERIA OF SUCCESS

<table>
<thead>
<tr>
<th>now (total: 100 point)</th>
<th>preferred (total: 100 point)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. The organization defines success on the basis of the development of human resources, teamwork, employee commitment, and concern for people.</td>
<td></td>
</tr>
<tr>
<td>B. The organization defines success on the basis of having the most unique or newest products. It is a product leader and innovator.</td>
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<tr>
<td>C. The organization defines success on the basis of winning in the marketplace and outpacing the competition. Competitive market leadership is the key.</td>
<td></td>
</tr>
<tr>
<td>D. The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling, and low-cost production are critical.</td>
<td></td>
</tr>
</tbody>
</table>
Appendix 4b: Market-Orientation (MO) questionnaire (original)
Please tick the relevant box: 1 - Strongly disagree  2 – Disagree  3 - Neither agree nor disagree  4 – Agree      5 - Strongly agree  9 – don’t know / no information

**Student (customer) orientation**

<table>
<thead>
<tr>
<th>Item</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>University measures students’ satisfaction every academic year</td>
<td></td>
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<tr>
<td>University cares about students’ well-being</td>
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<tr>
<td>University understands the needs of students</td>
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<tr>
<td>Complaints by students are dealt with quickly</td>
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<tr>
<td>The complaints procedure is easy for students to access</td>
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<tr>
<td>Students are given information that helps them to understand what</td>
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<tr>
<td>to expect from this university</td>
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<tr>
<td>Staff in this university are eager to support students and go beyond</td>
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<tr>
<td>their role definition</td>
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<tr>
<td>Students’ feedback on their experiences influence the teaching and</td>
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<tr>
<td>learning process</td>
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<tr>
<td>Staff are attentive to students’ concerns</td>
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<tr>
<td>We encourage students to offer constructive positive comments</td>
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<tr>
<td>Staff are regularly provided with information about students’ views</td>
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<tr>
<td>and experiences</td>
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<tr>
<td>The university understands what kind of teaching and learning the</td>
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<tr>
<td>students value most</td>
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<tr>
<td>We encourage students to offer constructive negative feedback</td>
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<tr>
<td>Responding to students’ needs is my major task</td>
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<tr>
<td>A good teacher is one whose students are happy as satisfied</td>
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<tr>
<td>The university meets and goes beyond the promises it makes to</td>
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<tr>
<td>students</td>
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<tr>
<td>Senior staff promote the spirit of customer orientation and focus</td>
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**Competition orientation**

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<thead>
<tr>
<th>Item</th>
<th>1</th>
<th>2</th>
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</tr>
</thead>
<tbody>
<tr>
<td>This university compares favourably with other universities in</td>
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<tr>
<td>meeting students’ needs</td>
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<tr>
<td>Information about what my colleagues in other universities are</td>
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<tr>
<td>doing helps me in my role</td>
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<tr>
<td>Senior managers often refer to the actions of other universities</td>
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<tr>
<td>The majority of staff take an interest in what’s going on in other</td>
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<td>universities</td>
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<tr>
<td>This university usually responds positively to other universities’</td>
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<tr>
<td>new initiatives and developments</td>
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<td>This university understand the needs of students better than other</td>
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<td>universities</td>
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**Intra-functional orientation**

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<tr>
<th>Item</th>
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<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>In meetings we discuss information about students’ concerns in</td>
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<td>order to make improvements</td>
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<tr>
<td>Academics help to attract prospective students</td>
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<tr>
<td>Academic staff cooperate to promote the university’s image</td>
<td></td>
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<tr>
<td>Administrative staff cooperate to promote the university’s image</td>
<td></td>
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</tr>
<tr>
<td>All faculties and departments contribute to the marketing of the</td>
<td></td>
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</tr>
<tr>
<td>university</td>
<td></td>
<td></td>
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<tr>
<td>The guiding light in curriculum development or new initiatives is</td>
<td></td>
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</tr>
<tr>
<td>the demands of the students</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Marketing information is discussed and shared with academic staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current students are always central to decision-making in this</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>university</td>
<td></td>
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</tr>
</tbody>
</table>
Appendix 5: Pilot questionnaire for semi-structured interviews

Hungarian version

Kérdőív értékelés

1. Az útmutató érthető volt? □ Igen □ Nem

2. Barmi kérdés kértelmű vagy nem egyértelmű volt? □ Igen □ Nem

Igen választ eseten, kérem részletezze (melyik kérdés / kértelmű szavak stb.):
_________________________________________________________________
_________________________________________________________________
_________________________________________________________________

3. Sikerült minden kérdést válaszolnia? □ Igen □ Nem

Nem választ eseten, kérem részletezze:
_________________________________________________________________
_________________________________________________________________
_________________________________________________________________

4. Visszautasította bármelyik kérdésnél a válasz adás? □ Igen □ Nem

Igen választ eseten, kérem részletezze (melyik kérdés és miért):
_________________________________________________________________
_________________________________________________________________
_________________________________________________________________

5. Barmi kérdés kínos, nem releváns vagy zavaró volt? □ Igen □ Nem

Igen választ eseten, kérem részletezze pontoson melyik kérdés:
_________________________________________________________________

6. Az Ön vélemény szerint, van néhány fontos pontot ami kellene és esetleg kimaradt?

□ Igen □ Nem

Igen választ eseten, kérem részletezze:
_________________________________________________________________
_________________________________________________________________
_________________________________________________________________

7. Volt a kérdőív felépítése érthető? □ Igen □ Nem

8. Mennyi idő alatt sikerült kitölteni a kérdőívet?

5-10 perc □ 10-20 perc □ 20-30 perc □ 30-40 perc □ 40 perc+. Kérem részletezze:
_________________________________________________________________
_________________________________________________________________

Együttműködését köszönjük, további észrevételek megjegyzések:
_________________________________________________________________
_________________________________________________________________
_________________________________________________________________
Pilot Questionnaire evaluation

The aim of this pilot study is to ascertain the suitability of the questionnaire for employees of all levels and from all areas of the Budapest Business School and eliminate any items or issues that pose difficulties in completing for respondents. The following questions will be discussed once you have completed the questionnaire.

1. Were the instructions clear and easy to follow? □ Yes □ No

2. Were any of the questions unclear and ambiguous? □ Yes □ No
   If yes, please give details (number of question and unclear words / expressions):
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________

3. Were you able to answer all the questions? □ Yes □ No
   If no, please specify which ones and give reasons why not:
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________

4. Did you object to answer any of the questions? □ Yes □ No
   If yes, please specify which ones and give reasons why:
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________

5. Did you find any of the questions embarrassing, irrelevant or irritating? □ Yes □ No
   If yes, please specify which ones:
   ____________________________________________________________

6. In your point of view are there any important or concerned issues omitted? □ Yes □ No
   If yes, please give details:
   ____________________________________________________________
   ____________________________________________________________

7. Was the layout of the questionnaire clear? □ Yes □ No

8. How long did it take you to complete the questionnaire?
   5-9 minutes □ 10-19 minutes □ 20-29 minutes □ 30-39 minutes □ 40 minutes+. Please specify:__________________________

Thank you for your time, please add any further comments that may make the questionnaire more effective:
   ____________________________________________________________
   ____________________________________________________________
   ____________________________________________________________
Appendix 6: The Pilot study summary of questionnaire results (objective)

<table>
<thead>
<tr>
<th>Question</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>1. Were the instructions clear and easy to follow?</td>
<td>12</td>
</tr>
<tr>
<td>2. Were any of the questions unclear and ambiguous?</td>
<td>7</td>
</tr>
<tr>
<td>3. Were you able to answer all the questions?</td>
<td>13</td>
</tr>
<tr>
<td>4. Did you object to answering any of the questions?</td>
<td>0</td>
</tr>
<tr>
<td>5. Did you find any of the questions embarrassing, irrelevant or irritating?</td>
<td>1</td>
</tr>
<tr>
<td>6. In your point of view are there any important or concerned issues omitted?</td>
<td>3</td>
</tr>
<tr>
<td>7. Was the layout of the questionnaire clear?</td>
<td>13</td>
</tr>
<tr>
<td>8. How long did it take you to complete the questionnaire?</td>
<td></td>
</tr>
<tr>
<td>5-10 minutes</td>
<td>0</td>
</tr>
<tr>
<td>11-20 minutes</td>
<td>1</td>
</tr>
<tr>
<td>21-30 minutes</td>
<td>6</td>
</tr>
<tr>
<td>31-40 minutes</td>
<td>5</td>
</tr>
<tr>
<td>40 minutes+</td>
<td>1</td>
</tr>
</tbody>
</table>
### Appendix 7: Summary of comments from semi-structured interviews and action to be taken

<table>
<thead>
<tr>
<th>Comment</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>“The topic of organisational culture”</td>
<td>This comment was a little vague and upon further questioning, it seemed the problem was that the respondent didn’t know exactly what the culture was. The instructions of the study stipulate that the study is concerned with perceptions and values rather than expecting factual information from respondents.</td>
</tr>
<tr>
<td>“In the section on organisational leadership, I found question C especially hard to allocate scores to, when considering the terms determination and no-nonsense.”</td>
<td>This seemed a problem with the translation. Having consulted the experts once more, the questionnaire wording was amended in 2C from ‘agresszivitás’ to ‘célirányosság’. This translates back into English as ‘accomplishment’, ‘expediency’ or ‘targeting’.</td>
</tr>
<tr>
<td>“Organisational Culture, in question 2C the characteristics no-nonsense, determination and results-focused are not similar.”</td>
<td>Upon further consideration and consultation with experts in data analysis, it was agreed that rather than categories, age would be asked directly, making it a continuous variable and allowing for greater possibilities for analysis.</td>
</tr>
<tr>
<td>“Question 2C is difficult as it contains both negative and positive qualities”</td>
<td>The OCAI is unusual in that it requires some allocation of scores and some basic calculations rather than simply ticking boxes. It was decided that as all respondents found the instructions comprehensive and no errors were found in the completion of the OCAI that it would remain as an instrument of the study.</td>
</tr>
<tr>
<td>“Why do you need the age categories? Why is it in steps of 9 years?”</td>
<td>Although all other respondents were satisfied with the instructions, the instructions were slightly reworded to clarify the desired results and how to achieve them.</td>
</tr>
<tr>
<td>“This is difficult to complete as it is not like a usual questionnaire” (referring to the OCAI section of the questionnaire dealing specifically with organisational culture)</td>
<td>In order to ascertain the market-orientation, respondents are required to comment on the student orientation of the BBS. However, this occurred for one respondent in a rather isolated and unusual position in the organisation. All other respondents in administration / management with limited contact with students were still able to complete questions in this area. This is not considered a limitation of the research as it is only one exceptional case.</td>
</tr>
<tr>
<td>“It is not clear how I have to calculate for each category.”</td>
<td>The question asking for a list of subjects taught was reworded to: “If teacher, then please give subjects taught” and relocated to follow the question on occupation.</td>
</tr>
<tr>
<td>“I have little to do with students and teaching”</td>
<td>Although only one to say this is a problem, one line added to questionnaire. To be sure problem doesn’t arise again</td>
</tr>
<tr>
<td>“The instructions say that all the questions should be answered, but I cannot answer number 7 (in the first part) regarding subjects taught as I do not teach”.</td>
<td>Indicates perception only concerned with teaching staff. Questionnaire designed for all staff. No change needed.</td>
</tr>
<tr>
<td>“more space needed for subjects taught”</td>
<td>Despite being in instructions. They are rather long and some parts may be overlooked. Sentence concerning calculations of grades highlighted in bold type.</td>
</tr>
<tr>
<td>“I do not understand: do I give a total 100 points vertically or horizontally in the table?”</td>
<td>The inability to remember how the workplace is a</td>
</tr>
</tbody>
</table>
years ago”

“"I cannot write anything for the first two categories (of the OC questionnaire)”

“"In section 2(of the OCAI), none of the four possibilities are characteristic of the organisation”

“"I would like to answer yes to some of these questions on being innovative, but in reality we are often prevented from being innovative thanks to the rules and limitations. For example, when I wanted sponsorship from companies to improve rooms / technology, I was told that the college does not want that kind of contact with companies”

“"100 is a lot. It needs calculations and it is hard” (4 comments in total were in connection with calculations and allocations of scores)

“"I don’t know about BBS only about KKF, so I can only guess how it is.”

“"In question 8 (of the first part) can I tick more than one box?"

“"If we put our age, job, department, you can identify us”

“I do not think it is relevant that the student orientation writes [A good teacher is one whose students are happy as satisfied]”

“"Communication tools and channels in the organisation is missing from this questionnaire”

“For me the orientation is not for the student but for the future employers”

difficult variable to allow for. In the questionnaire only employees who have been working for more than 10 years are asked. No action taken.

Other participants found the format unfamiliar but none mentioned a complete inability to fill out two whole sections. No action taken.

Following respondents were asked about this and disagreed with the comment. Furthermore, the task to not to pinpoint which option is characteristic but to what extent each exists in the organisation. No action taken.

An interesting point. Not affecting questionnaire completion but worth considering for the qualitative study in terms of organisational limitations on innovation thus affecting overall market-orientation

As mentioned earlier, the OCAI section of the questionnaire requires more thought than simply ticking boxes. Although this comment provoked concerns about mistakes in calculations and the danger of participants putting 25 in all four categories rather than making any calculations, all respondents completed the questionnaire without errors. No action taken.

This highlights the fragmentation and isolation of Faculties from the organisation as a whole. No action taken.

Question 8 now has the additional comment that respondents are allowed to tick more than one box, to allow for employees working in more than one location

It was added to the research protocol that initial letters sent to the rector and Faculty heads emphasise the confidentiality of this study and that for any face-to-face meeting with employees or department heads, the main priority was to stress complete confidentiality.

This is a part of student orientation. Whilst the respondent upon further questioning felt this was not the role of a teacher, the issue here is not the precise role of a teacher, but how much the organisation is oriented towards the student. No action taken.

It was decided that, whilst communication issues may have an impact on cultures and subcultures, limitations mean that some issues have to be sidelined. It was decided that communication was beyond the scope of this study.

The student orientation is from the organisation / employees view. Instructions reviewed. No action taken.

The literature split market-orientation in higher education into the three given in the questionnaire. The lack of employer orientation may indicate the picture of market-orientation is not a complete one. Question added to the questionnaire: Who do you consider to be the customer? The student or the employer?
Appendix 8: Post-Pilot Questionnaire (see appendix 6 for original English version)

Tisztelt Hölgyem / Uram!
PhD tanulmányaim részeként a BGF szervezeti kultúrájának feltérképezésére irányuló kutatást végek. Ehhez kérem szépen az Ön segítségét és együttműködését ennek a rövid kérdőívnek a kitöltésével. Természetesen bizonyos lehet abban, hogy minden információt rendkívül bizalmasan fogok kezelné. Amennyiben bármilyen kérdése van a kutatásmmal kapcsolatban, örömmel veszem érdeklődését ezen a címen: nicholas.chandler@pszfb.bgf.hu.

Kérem, vegye figyelembe, hogy a kitöltött kérdőív csak akkor használható és érvényes a kutatás szempontjából, ha az ÖSSZES kérdést megválaszolja. Ezért ha bármelyik válasz hiányzik, a kérdőívet sajnos nem tudom felhasználni a kutatásban.

**Személyes adatok** (statisztikai célokra)
Kérem, pipálja ki a megfelelő négyzetet:

1. **Neme?**
   - ☐ Férfi
   - ☐ Nő

2. **Életkora?**
   __________________

3. **Hány éve dolgozik a Budapesti Gazdasági Főiskolán vagy annak valamelyik korábbi karán?**
   __________________

4. **Hogyan jellemezné a munkáját?**
   (Szükség esetén több négyzet is kipipálható.)
   1. ☐ Szakképzettség nélküli vagy betanított munkás
   2. ☐ Irodai dolgozó vagy titkár/nő
   3. ☐ Technikai személyzet, informatikai támogatás
   4. ☐ Tanár / óraadó (felsőfokú végzettségű, nem vezető beosztású)*
   5. ☐ Tanár / óraadó (szakmai tapasztalok alapján, nem vezető beosztású)*
   6. ☐ Csoportvezető (egy vagy több beosztottja van)
   7. ☐ Felsővezető (karvezető / intézményvezető)
   8. ☐ Könyvtári személyzet

*Ha oktató, tanított tantárgy(ak): _____________________________________________
____________________________________________

5. **Foglalkoztatás formája:**
   ☐ Rézmunkaidős  ☐ Teljes munkaidős  ☐ Óraadó

6. **Kar / Intézet:** __________________________ / __________________________

7. **Munkavégzés helye (több helyszínt is megjelölhet):**
   ☐ Rektorátus Buzogány u.
   ☐ Markó u.  ☐ KVIK Alkotmány u.  ☐ PSZK Buzogány u.  ☐ KKK Diósy Lajos u.
   ☐ PSZK Salgótarján  ☐ GK Zalaegerszeg  ☐ Liget utca  ☐ Egyéb: ____________________
A következő kérdőívben valamennyi szemponthoz 4 választási lehetőség kapcsolódik. Összön el 100 pontot a négy opció között aszerint, hogy milyen mértékben hasonlít az Ön szervezete az adott opcióban leírtakhoz. Annak az opciónak adja a legmagasabb pontszámot, amely a leginkább hasonló az Ön szervezetéhez. Például, ha Ön úgy gondolja, hogy A opció nagyon hasonlít az Ön szervezetéhez, a B és C opció valamelyest hasonló, a D opció pedig alig, akkor például így oszthatja meg a 100 pontot: az A opcióknak 55 pont, a B és C opcióknak 20-20 pont, a D opcióknak pedig 5 pont.

Kérem, ellenőrizze, hogy a négy cellát függőlegesen összeadva minden kérdésnél 100 legyen. A „jelenlegi” feliratú oszlopba kerüljen pontszámokkal Ön azt osztályozza, milyen jelenleg a szervezete. Kérem, hogy először ezt az osztályozást végezze el. Miután ezt befejezte, képzelje el, milyennek szeretné látni a szervezetét 5 év múlva. Ennek megfelelően írja a pontszámokat a „kívánatos” feliratú oszlopba.

1. DOMINANCIA JELLEMZŐI

<table>
<thead>
<tr>
<th>10 évvel ezelőtt (összesen 100 pont)</th>
<th>jelenlegi (összesen 100 pont)</th>
<th>kívánatos (összesen 100 pont)</th>
</tr>
</thead>
</table>

2. A SZERVEZET IRÁNYULTSÁG

<table>
<thead>
<tr>
<th>10 évvel ezelőtt (összesen 100 pont)</th>
<th>jelenlegi (összesen 100 pont)</th>
<th>kívánatos (összesen 100 pont)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A szervezetre általában a mentorálás, az segítségnyújtás vagy a nevelés jellemző. A szervezetre általában a vállalkozói szellem, az innováció vagy a kockázatvállalás jellemző. A szervezetre általában az ésszerűség, az agresszivitás és az eredményközpontúság jellemző. A szervezetre a koordinálás, a szervezés és a gördülékeny hatékonyság jellemző.</td>
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<td></td>
</tr>
</tbody>
</table>

3. A BEOSZTOTTAK IRÁNYÍTÁSA

<table>
<thead>
<tr>
<th>10 évvel ezelőtt (összesen 100 pont)</th>
<th>jelenlegi (összesen 100 pont)</th>
<th>kívánatos (összesen 100 pont)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A vezetői stilust a szervezetben a csapatmunka, a konszenzus és a részvétel jellemzi. A vezetői stilust a szervezetben az egyéni kockázatvállalás, az innováció, a szabadság és az egyediséget jellemz. A vezetői stilust a szervezetben a kemény versenyszéllem, a magas fokú követelmények és a teljesítmény jellemzi. A vezetői stilust a szervezetben a munkahely biztonsága, az összhang, a kiszámíthatóság és a stabilitás jellemzi.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

192
4. A SZERVEZET ÖSSZETARTÓ EREJE

<table>
<thead>
<tr>
<th>10 évvel ezelőtt (összesen 100 pont)</th>
<th>jelenlegi (összesen 100 pont)</th>
<th>kívánatos (összesen 100 pont)</th>
</tr>
</thead>
</table>

A szervezetet a hűség és a kölcsönös bizalom tartja össze. A szervezet iránti elkötelezettség erős.
A szervezetet az innováció és a fejlődés iránti elkötelezettség tartja összes. Az élvonalhoz tartozás nagy hangsúlyt kap.
A szervezetet a teljesítmény és a cél elérésenek hangsúlyozása tartja össze.
A szervezetet a hivatalos szabályok és irányvonalak tartják össze.
Fontos a jól működő szervezet fenntartása.

5. STRATÉGIAI HANGSÚLYOK

<table>
<thead>
<tr>
<th>10 évvel ezelőtt (összesen 100 pont)</th>
<th>jelenlegi (összesen 100 pont)</th>
<th>kívánatos (összesen 100 pont)</th>
</tr>
</thead>
</table>

A szervezet az emberi fejlődést hangsúlyozza. Magas szintű bizalom, nyíltség és részvétel uralkodik.
A szervezet az új készségek és képességek megszerzését és új kihívások létrehozását hangsúlyozza. Értékelik az új dolgok kipróbálását és a lehetőségek felkutatását.
A szervezet a versenyszellemű fellépést és a teljesítményt hangsúlyozza. A két legfontosabb jellemző az erőfeszítés a célok elérése érdekében és az elsőségre való törekvés.
A szervezet az állandóságot és a stabilitást hangsúlyozza. A hatékony, az ellenőrzés és a zökkenőmentes működés a fontos.

6. A SIKER KRITÉRIUMAI

<table>
<thead>
<tr>
<th>10 évvel ezelőtt (összesen 100 pont)</th>
<th>jelenlegi (összesen 100 pont)</th>
<th>kívánatos (összesen 100 pont)</th>
</tr>
</thead>
</table>

A szervezet a sikert az emberi erőforrások fejlődése, a csapatmunka, az alkalmazott fejlődés és az emberekkel való törődés alapján határozza meg.
A szervezet a sikert az alapján határozza meg, hogy neki van a legkülönbözőebb vagy legújabb kurzusokban. Új kurzusok és / vagy módszerek bevezetése és innovátor.
A szervezet a sikert a versenytársaságok szerepét, hogy az alapján határozza meg. A versenyszellemű piacvezetői szerep kulcsfontosságú.
A szervezet a sikert a hatékony, hogy az alapján határozza meg. A megbízható oktatás és szolgáltatás, a kiszámítható tervezés és az alacsony költségek döntő fontosságúak.

Kérem, válaszoljon a következő kérdésekre:

1. Milyen gyakran találkozik és folytat beszélgetést szervezeti egysége más dolgozóival?
   - [ ] Naponta
   - [ ] Hetente néhányszor
   - [ ] Havonta néhányszor
   - [ ] Egyéb, éspedig:

2. Mit gondol, a jövőben a BGF-nek milyen problémákkal kell szembenülnie?
3. Miben látja a BGF küldetését és célját?

___________________________________________________________________________
___________________________________________________________________________

4. Ha a BGF a szolgáltató, Ön szerint, ki a vevő? □ A hallgató □ A munkáltató

Kérem, adja meg, hogy milyen mértékben ért egyet a következő állításokkal. Válaszaiban használja a következő skálát:
1 egyáltalán nem ért egyet / 2 nem ért egyet / 3 inkább nem ért egyet /
4 inkább egyetért / 5 egyetért / 6 teljes mértékben egyetért / 9 nincs információ

<table>
<thead>
<tr>
<th>Hallgató orientáció</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>A BGF minden tanévben felmérést készít a hallgatói elégedettségről</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>A BGF számára fontos a hallgatók jóléte</td>
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</tr>
<tr>
<td>A BGF megérti/tisztában van hallgatói igényeivel</td>
<td></td>
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</tr>
<tr>
<td>A hallgatói panaszok intézése gyors</td>
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</tr>
<tr>
<td>A panaszok ügyintézése egyszerű(en elérhető)</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>A panaszok ügyintézésének menete átlátható a hallgatók számára</td>
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Válaszait bizalmasan kezeljük. Együttműködését köszönjük.
Appendix 9: Request for research

Used Hungarian version:

Tisztelet Dr. Kriszt Éva Úrhölgy!

Azért írok Önnek, hogy engedélyét kérjem egy a BGF keretein belül levezetendő felmérésnek, amely részét képezné a Miskolci Egyetemen folytatott PhD tanulmányaimnak.

A kutatási területem a felsőoktatáson belüli szervezeti kultúrák szerkezetével, illetve ezek piacorientációjára gyakorolt hatásával foglalkozik. A meglévő kutatás azt mutatta ki, hogy a felsőoktatási intézményekben világszerte inkább a töredésett szervezeti kultúrák dominálnak, nem pedig az egységes homogén változatok, habár kevés kutatást végeztek a szervezeti kultúrak szervezetorientáltságára gyakorolt hatásmechanizmusáról.


A szemeszetvégi tanszéki találkozókon szeretném átdudni a kérdőíveket, ami lehetőséget adna nekem arra, hogy elmagyarázzam a kutatáson alapjait és segítsége minden kérdésben az elkészítés alatt, amelyhez szeretném kérni az Ön támogatását.

Remélem, engedélyezni fogja számomra ennek a kutatásnak a BGF-en történő levezetését, és ha bármilyen további részletre szüksége lenne, örömmel állok rendelkezésére.


Tisztelettel,

Nick Chandler
Tanársegéd
Dear Dr Éva Kriszt,

I am writing to ask your permission for me to conduct a survey at the Budapest Business School (BBS) as part of my PhD studies at the University of Miskolc.

My research topic is concerned with the structure of organizational cultures in higher education and their impact upon market orientation. Existing research has shown that Higher Education Institutions (HEIs) around the world have fragmented organizational cultures rather than a single homogenous Organizational Culture although little research has been carried out on the impact of cultural structures on the orientations of the organization.

There are two aspects to my research. Firstly, I would like to examine the market-orientation at BGF. This seemed appropriate considering the practice-orientation of the BGF, which is based on the needs of the market (i.e. employers) for students with more than theoretical knowledge. Practice-orientation does not have a measuring instrument but market-orientation instruments have been used in HEIs for some time. Secondly, I would like to find out if subcultures exist in the BBS and if they do, what is their role in supporting other subcultures and the dominant culture in reinforcing a marketing orientation. I would also like to examine the basis for the formation of subcultures, if they are found to exist, and the advantages of their existence for the organization as a whole. If the concept of a synergistic relationship within the structure of the culture is found, then I would like to consider the future possibilities within such a structure of organizational culture.

I would like to give out the questionnaires during the departmental end of term meetings as this would give me the opportunity to explain the basis of the research and help with any questions during completion and would like to ask for your support for this.

I hope that you will allow me to conduct this research at the BBS and if you require any further details or would like a personal meeting, I will be more than happy to do so.

Nick Chandler
Assistant lecturer
Tisztelt Munkatársaim!

Mellékelten eljuttatjuk Önöknek a Pénzügyi és Számviteli Kar oktatójának, Nicholas Chandler-nek a kérdőíveit, akinek Ph.D tanulmányaihoz van szüksége a BGF dolgozóinak véleményére.

A felmérést rektor asszony engedélyezte, és korábban már dr. Hidasi Judit dékán asszony is elektronikus levélben kért fel mindnyájunkat a közreműködésre. Mivel eddig elektronikus formában csak nagyon kevés kérdőív érkezett be, célszerűbbnek látszik papír alapú és kézi vezérléssel begyűjteni a kérdőíveket.

Kérem a tisztelt szervezetlegység-vezetőket és titkármóket, hogy odafigyelésükkkel és közreműködésükkel segítsék a kérdőívek kiosztását, kitöltetését és begyűjtését.

Egyúttal kérem, szíveskedjenek megnyugtatni az esetleg aggódó kollégáikat, hogy a felmérés teljesen anonim, a válaszokat bizalmasan fogják kezelni.

Kérem, hogy legkésőbb november 18-ig juttassák vissza a kitöltött kérdőíveket a Dékáni Hivatalba (K.II.15).

Segítő közreműködésüket előre is köszönöm.

Dr. Trombitás Endre sk.
a Dékáni Hivatal vezetője

Budapest, 2011. november 3.
Dear colleagues,

I have attached the questionnaire of one of our lecturers, Nicholas Chandler, who requires the opinions of staff from the Budapest Business School as a part of his studies.

The rector has allowed this to take place and our Dean, Dr. Hidási Judit, asked for our cooperation in an earlier email. As the number of emails received electronically was rather low, it seems more productive to accomplish this in paper form and collected by hand.

I would like to ask the Heads of department and other divisions as well as secretaries to help in the distribution, completion and collection of questionnaires with joint cooperation and attention.

In line with this I would like to put all employees’ minds at ease that this study is completely anonymous and that all completed questionnaires will be treated with utmost confidentiality.

I would like to ask you to return all the questionnaires by 18th November at the latest.

Many thanks in advance for your cooperation.

Dr. Trombitás Endre
Appendix 11: Tables showing common characteristics by subculture

Table: The breakdown of subculture membership based upon location of work

<table>
<thead>
<tr>
<th>Location</th>
<th>Subculture</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
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<tr>
<td>Rectorate Buzogány u.</td>
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<td>5.71</td>
</tr>
<tr>
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<tr>
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Table: The breakdown of subculture membership based upon position in the organisation

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<tr>
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<td>Group leader</td>
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<tr>
<td>Top management</td>
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<td>Library</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>140</strong></td>
<td><strong>100</strong></td>
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Note: The literature also indicated that occupation in terms of three categories might be a common characteristic for subcultures, these categories being: administration, management and teaching / lecturing. Due to the extensive nature of this study, a further category of unskilled was added as it was deemed misrepresentative to add the unskilled workers to any of the existing categories. Furthermore, top management is distinguished from group leaders as a means of detecting any significant differences.
Table: The breakdown of subculture membership based upon occupation

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<td>Top management</td>
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<td>Other</td>
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Table: The breakdown of subculture membership based upon tenure

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Table: The breakdown of subculture membership based upon age

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<td>40-50</td>
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<td>24.29</td>
<td>22</td>
<td>26.19</td>
<td>8</td>
<td>23.53</td>
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<tr>
<td>50-62</td>
<td>45</td>
<td>32.14</td>
<td>27</td>
<td>32.14</td>
<td>13</td>
<td>38.24</td>
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<tr>
<td>over 62</td>
<td>11</td>
<td>7.86</td>
<td>9</td>
<td>10.71</td>
<td>2</td>
<td>5.88</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>100</td>
<td>84</td>
<td>100</td>
<td>34</td>
<td>100</td>
</tr>
<tr>
<td>Location</td>
<td>Subculture</td>
<td>Total</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------</td>
<td>------------</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>Rectorate Buzogány u.</td>
<td>0</td>
<td>0.00</td>
<td>2</td>
<td>2.38</td>
<td>7</td>
<td>20.59</td>
</tr>
<tr>
<td>KVIK Alkotmány u</td>
<td>6</td>
<td>4.29</td>
<td>5</td>
<td>5.95</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Pszk Buzogány u</td>
<td>30</td>
<td>21.43</td>
<td>22</td>
<td>26.19</td>
<td>14</td>
<td>41.18</td>
</tr>
<tr>
<td>KKK Diósy Lajos u</td>
<td>37</td>
<td>26.43</td>
<td>12</td>
<td>14.29</td>
<td>6</td>
<td>17.65</td>
</tr>
<tr>
<td>Pszk Salgótarjan</td>
<td>8</td>
<td>5.71</td>
<td>8</td>
<td>9.52</td>
<td>1</td>
<td>2.94</td>
</tr>
<tr>
<td>GK Zalaegerszeg</td>
<td>17</td>
<td>12.14</td>
<td>8</td>
<td>9.52</td>
<td>2</td>
<td>5.88</td>
</tr>
<tr>
<td>Liget utca</td>
<td>1</td>
<td>0.71</td>
<td>1</td>
<td>1.19</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Marko u.</td>
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<td>2.86</td>
<td>1</td>
<td>1.19</td>
<td>0</td>
<td>0.00</td>
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<tr>
<td>other</td>
<td>1</td>
<td>0.71</td>
<td>1</td>
<td>1.19</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Mixed location*</td>
<td>36</td>
<td>25.71</td>
<td>24</td>
<td>28.57</td>
<td>4</td>
<td>11.76</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>100</td>
<td>84</td>
<td>100</td>
<td>34</td>
<td>100</td>
</tr>
</tbody>
</table>

* This category refers to all staff working at a combination of two or more locations
Table: The breakdown of subculture membership based upon gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Subculture</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No.</td>
</tr>
<tr>
<td>Male</td>
<td>1</td>
<td>45</td>
</tr>
<tr>
<td>Female</td>
<td>95</td>
<td>67.53</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: The organisation has by nature a higher ratio of male to female, and therefore subcultures mirror the split in the organisation. Had there been a high number of males in one particular culture, then it would have been seen as significant.
Table: The breakdown of subculture membership based upon Faculty

<table>
<thead>
<tr>
<th>Faculty of BBS</th>
<th>Subculture</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Faculty C</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>51</td>
<td>36.43</td>
</tr>
<tr>
<td>Faculty B</td>
<td>42</td>
<td>30.00</td>
</tr>
<tr>
<td>Faculty A</td>
<td>26</td>
<td>18.57</td>
</tr>
<tr>
<td>RECT</td>
<td>4</td>
<td>2.86</td>
</tr>
<tr>
<td>Faculty D</td>
<td>17</td>
<td>12.14</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>100</td>
</tr>
</tbody>
</table>
Table: The breakdown of subculture membership based upon perception as to who is the customer of the organisation

<table>
<thead>
<tr>
<th>who is the customer</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>student</td>
<td>107</td>
<td>76.43</td>
<td>60</td>
<td>71.43</td>
<td>28</td>
<td>82.35</td>
</tr>
<tr>
<td>employer</td>
<td>17</td>
<td>12.14</td>
<td>13</td>
<td>15.48</td>
<td>4</td>
<td>11.76</td>
</tr>
<tr>
<td>both</td>
<td>16</td>
<td>11.43</td>
<td>11</td>
<td>13.10</td>
<td>2</td>
<td>5.88</td>
</tr>
<tr>
<td>Don't know</td>
<td>0</td>
<td>0.00</td>
<td>0</td>
<td>0.00</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>100</td>
<td>84</td>
<td>100</td>
<td>34</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: As the demographic data was largely inconclusive in producing a common characteristics particular to each subculture, further analysis was undertaken using other data available upon the questionnaire, such as the above. However, the common perception of who is the customer is not seen as a basis for subculture formation.

*respondents claimed the student was the customer, but that the employer is the end-user, hence the need for this category
Table: The breakdown of subculture membership based upon level of interaction with colleagues

<table>
<thead>
<tr>
<th>Level of interaction with colleagues</th>
<th>Subculture</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>No. %</td>
<td>No. %</td>
<td>No. %</td>
</tr>
<tr>
<td>Daily</td>
<td>72 51.43%</td>
<td>47 55.95%</td>
</tr>
<tr>
<td>A few times a week</td>
<td>60 42.86%</td>
<td>33 39.29%</td>
</tr>
<tr>
<td>A few times a month</td>
<td>6 4.29%</td>
<td>4 4.76%</td>
</tr>
<tr>
<td>Other</td>
<td>2 1.43%</td>
<td>0 0.00%</td>
</tr>
<tr>
<td>Total</td>
<td>140 100%</td>
<td>84 100%</td>
</tr>
</tbody>
</table>

Note: As the demographic data was largely inconclusive in producing a common characteristics particular to each subculture, further analysis was undertaken using other data available upon the questionnaire, such as the above. However, the daily interaction is not seen as a basis for subculture formation.
Appendix 12: Tables showing standard deviation in values and perception in subcultures

Table showing standard deviation of perceptions in subcultures

<table>
<thead>
<tr>
<th>Statements</th>
<th>Subculture</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Standard Deviation</td>
<td>Standard Deviation</td>
<td>Standard Deviation</td>
<td>Standard Deviation</td>
<td>Standard Deviation</td>
</tr>
<tr>
<td>1B current now</td>
<td>.65</td>
<td>.93</td>
<td>1.05</td>
<td>1.12</td>
<td>1.21</td>
</tr>
<tr>
<td>1C current now</td>
<td>.16</td>
<td>.23</td>
<td>.17</td>
<td>.11</td>
<td>.18</td>
</tr>
<tr>
<td>1A current now</td>
<td>.86</td>
<td>.88</td>
<td>.86</td>
<td>1.45</td>
<td>1.04</td>
</tr>
<tr>
<td>1D current now</td>
<td>.93</td>
<td>.84</td>
<td>1.13</td>
<td>.96</td>
<td>.83</td>
</tr>
<tr>
<td>2A current now</td>
<td>.63</td>
<td>.83</td>
<td>1.20</td>
<td>1.36</td>
<td>1.15</td>
</tr>
<tr>
<td>2B current now</td>
<td>.90</td>
<td>.94</td>
<td>.96</td>
<td>.94</td>
<td>1.05</td>
</tr>
<tr>
<td>2C current now</td>
<td>.86</td>
<td>.91</td>
<td>1.25</td>
<td>1.42</td>
<td>.91</td>
</tr>
<tr>
<td>2D current now</td>
<td>.79</td>
<td>.86</td>
<td>1.22</td>
<td>1.48</td>
<td>.68</td>
</tr>
<tr>
<td>3A current now</td>
<td>.67</td>
<td>.89</td>
<td>1.02</td>
<td>1.12</td>
<td>1.24</td>
</tr>
<tr>
<td>3B current now</td>
<td>.98</td>
<td>.93</td>
<td>.98</td>
<td>.70</td>
<td>.95</td>
</tr>
<tr>
<td>3C current now</td>
<td>.92</td>
<td>.93</td>
<td>1.00</td>
<td>1.43</td>
<td>.84</td>
</tr>
<tr>
<td>3D current now</td>
<td>.79</td>
<td>.95</td>
<td>1.38</td>
<td>1.17</td>
<td>.93</td>
</tr>
<tr>
<td>4A current now</td>
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<td>.83</td>
<td>.81</td>
<td>1.01</td>
<td>1.32</td>
</tr>
<tr>
<td>4B current now</td>
<td>.86</td>
<td>1.04</td>
<td>1.01</td>
<td>.84</td>
<td>.99</td>
</tr>
<tr>
<td>4C current now</td>
<td>.75</td>
<td>.83</td>
<td>1.03</td>
<td>1.62</td>
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</tr>
<tr>
<td>4D current now</td>
<td>.88</td>
<td>.87</td>
<td>1.20</td>
<td>1.01</td>
<td>.84</td>
</tr>
<tr>
<td>5A current now</td>
<td>.65</td>
<td>.77</td>
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<td>1.05</td>
<td>.65</td>
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<td>.91</td>
</tr>
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<td>5C current now</td>
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<td>.87</td>
<td>1.06</td>
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</tr>
<tr>
<td>6A current now</td>
<td>.58</td>
<td>.78</td>
<td>1.04</td>
<td>1.66</td>
<td>1.36</td>
</tr>
<tr>
<td>6B current now</td>
<td>.75</td>
<td>1.07</td>
<td>1.02</td>
<td>.68</td>
<td>1.05</td>
</tr>
<tr>
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<td>.86</td>
<td>.91</td>
<td>1.12</td>
<td>1.45</td>
<td>.79</td>
</tr>
<tr>
<td>6D current now</td>
<td>.73</td>
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<td>1.21</td>
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</tr>
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<td>total deviation</td>
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</table>
### Table showing standard deviation of values in subcultures

<table>
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<th>3</th>
<th>4</th>
<th>5</th>
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<tbody>
<tr>
<td></td>
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<td>Standard Deviation</td>
<td>Standard Deviation</td>
<td>Standard Deviation</td>
<td>Standard Deviation</td>
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</tr>
<tr>
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<td>.83</td>
<td>1.05</td>
<td>1.51</td>
<td>.69</td>
<td></td>
</tr>
<tr>
<td>1B preferred</td>
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<td>.93</td>
<td>.86</td>
<td>.86</td>
<td></td>
</tr>
<tr>
<td>1C preferred</td>
<td>.72</td>
<td>.74</td>
<td>1.13</td>
<td>1.35</td>
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</tr>
<tr>
<td>1D preferred</td>
<td>.81</td>
<td>.62</td>
<td>1.11</td>
<td>1.46</td>
<td>.58</td>
<td></td>
</tr>
<tr>
<td>2A preferred</td>
<td>.48</td>
<td>.77</td>
<td>1.39</td>
<td>.96</td>
<td>.69</td>
<td></td>
</tr>
<tr>
<td>2B preferred</td>
<td>.68</td>
<td>1.05</td>
<td>.80</td>
<td>.64</td>
<td>.91</td>
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</tr>
<tr>
<td>2C preferred</td>
<td>.62</td>
<td>.87</td>
<td>1.55</td>
<td>1.45</td>
<td>.70</td>
<td></td>
</tr>
<tr>
<td>2D preferred</td>
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<td>.72</td>
<td>.81</td>
<td>1.67</td>
<td>.75</td>
<td></td>
</tr>
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<td>1.34</td>
<td>1.08</td>
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<td>1.05</td>
<td>.60</td>
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<td>1.16</td>
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</tr>
<tr>
<td>3C preferred</td>
<td>.73</td>
<td>.86</td>
<td>1.17</td>
<td>.85</td>
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</tr>
<tr>
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<td>1.48</td>
<td>.85</td>
<td></td>
</tr>
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<tr>
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<td>.73</td>
<td>1.56</td>
<td>1.22</td>
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<td>.89</td>
<td>1.54</td>
<td>1.22</td>
<td></td>
</tr>
<tr>
<td>5B preferred</td>
<td>.51</td>
<td>.97</td>
<td>.68</td>
<td>1.03</td>
<td>1.02</td>
<td></td>
</tr>
<tr>
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<td>.89</td>
<td>1.41</td>
<td>1.33</td>
<td>.93</td>
<td></td>
</tr>
<tr>
<td>5D preferred</td>
<td>.46</td>
<td>.69</td>
<td>1.04</td>
<td>1.41</td>
<td>.97</td>
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</tr>
<tr>
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<td>.42</td>
<td>.75</td>
<td>.95</td>
<td>1.73</td>
<td>1.29</td>
<td></td>
</tr>
<tr>
<td>6B preferred</td>
<td>.66</td>
<td>1.03</td>
<td>.91</td>
<td>.60</td>
<td>.94</td>
<td></td>
</tr>
<tr>
<td>6C preferred</td>
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<td>.91</td>
<td>1.11</td>
<td>1.20</td>
<td>1.01</td>
<td></td>
</tr>
<tr>
<td>6D preferred</td>
<td>.52</td>
<td>.84</td>
<td>1.14</td>
<td>1.24</td>
<td>.97</td>
<td></td>
</tr>
</tbody>
</table>

**Total deviation**: 14.06, 20.42, 25.82, 29.09, 21.42
Appendix 13: Culture types of the five subcultures according to the perceived and preferred dominant characteristics of the organisation

Chart showing perceived values of the organisation and preferred values for subculture one

<table>
<thead>
<tr>
<th>Preferred dominant culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
</tr>
<tr>
<td>Clan</td>
</tr>
</tbody>
</table>

Chart showing perceived values of the organisation and preferred values for subculture two

<table>
<thead>
<tr>
<th>Preferred dominant culture</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>34.64</strong></td>
</tr>
<tr>
<td>Clan</td>
</tr>
</tbody>
</table>
Chart showing perceived values of the organisation and preferred values for subculture three

![Dominant characteristics chart](image)

<table>
<thead>
<tr>
<th>Preferred dominant culture</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>37.35</strong></td>
</tr>
<tr>
<td>Clan</td>
</tr>
</tbody>
</table>

Chart showing perceived values of the organisation and preferred values for subculture four

![Dominant characteristics chart](image)

<table>
<thead>
<tr>
<th>Preferred dominant culture</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>35.50</strong></td>
</tr>
<tr>
<td>Clan</td>
</tr>
</tbody>
</table>
Chart showing perceived values of the organisation and preferred values for subculture five

<table>
<thead>
<tr>
<th>Preferred dominant culture</th>
<th>Clan</th>
<th>Adhocracy</th>
<th>Market</th>
<th>Hierarchy</th>
</tr>
</thead>
<tbody>
<tr>
<td>55.34</td>
<td>21.02</td>
<td>13.07</td>
<td>10.57</td>
<td></td>
</tr>
</tbody>
</table>
Appendix 14: Culture types of the five subcultures according to the six dimensions of the Competing Values Framework

Subculture One

![Dominant characteristics graph]

![Organisational leadership graph]
Subculture Two

**Dominant characteristics**

![Graph showing dominant characteristics with perceived and preferred values.

**Organisational leadership**

![Graph showing organisational leadership with perceived and preferred values.](image)
Subculture Three

Dominant characteristics

Organisational leadership
Strategic emphases

Criteria of success
Subculture Four

Dominant characteristics

Organisational Leadership
Management of employees

Perceived
Preferred (values)

Organisation glue

Perceived
Preferred (values)
Subculture Five

**Dominant characteristics**

**Organisational leadership**
Management of employees

Organisation glue
Strategic emphases

Criteria of success
Appendix 15: Cultural profiles of the five subcultures

**Subculture profiles**

The data used to form these profiles is based upon the official website of the OCAI (www.ocai-online.com). In each profile the preferred strategies and long-term goals have been given since each subculture contains middle / upper management and subculture membership may be seen to impact upon choice of strategy within the organisation.

**Market Mentors**

Members of this culture perceive the organisation as hierarchical and looking to the past with a strong sense of loyalty and tradition, whilst they see the need for a market focus, in particular a result-orientation. Members are competitive and want to get the job done. The emphasis on winning is what holds the group together with success being defined in terms of market position in relation to the competition. The members are academics with the longer tenure members acting as mentors for the shorter tenure members.

In the long-term, achievable and measurable goals are set and direct the subculture. These goals are achieved with competitive actions. Preferred strategies may include: measuring student satisfaction, improving enrolment rates, creating external partnerships with employers and partner institutions.

Cliché: *Stepping up to the plate*

**Nostalgic professors**

Members of this subculture see themselves as in line with the organisation with values centred upon teamwork, participation and consensus and enjoy a sense of loyalty, although members perceive the organisation as less bureaucratic and hierarchical than it actually is. Loyalty and tradition are upheld with a certain degree of longing for the past and “better times”. There is a degree of sensitivity towards students and a general concern for people, whilst ensuring participation and inter-functional cooperation.

In the long-term the focus is on human development with strategies related to employee involvement in projects, course development and research, and improving communication as a means of achieving greater cohesion and better morale through the development of research newsletters, project and research groups, conferences and so on. Preferred strategies would be based upon the market and competition, very much in line with Mintzberg’s (2005) Cultural school in terms of the aspect of consensus and cohesion.

Cliché: *The goal posts have been moved*

**Devoted smooth operators**

Members of this subculture see the organisation as a very formalized and structured workplace and prefer it that way. Members understand and heighten the need for procedures and success is seen in terms of good coordination, organisation and being efficient, whilst at the same time keeping costs to a minimum. With rules and procedures in place, members enjoy a sense of security and predictability, which is intended to be passed on to students by giving them procedures and rules for the duration of their studies. Skills such as problem-solving, coordination and organisation are highly valued.
In the long-term the focus is on maintaining stability is turbulent times and performance is measured in terms of coordination and smooth operations rather than actual results. Preferred strategies might involve developing more efficient ways of managing student paperwork, error detection and developing processes and procedures for students and staff alike, indicating the need for conformity and desire for unity as prerequisites for strategy implementation. Such strategies are very much in line with Mintzberg’s (2005) planning school.

Cliché: Buying into the coach’s system.

**Career- building rookies**

Although members are relative new comers to the organisation, they have extensive experience elsewhere. They are keen to progress in the organisation and develop an enthusiasm for the organisation’s values placed on rules, procedures, coordination and efficiency. Members are willing to use their time to form quality groups to assess the efficiency of existing procedures in a quest to improve upon existing systems and procedures as means of further improving efficiency. A fervent desire for unity and conformity results in the isolation of outliers in the organisation or subcultures with differing or competing values as ‘problem areas’.

In the long-term these members wish to see the fulfilment of their own personal ambition on the career ladder as well as being recognized as a person who has made their mark on the organisation’s operations. Preferred strategies may involve analysis of procedures and processes with the sole aim of improvement rather than the results in themselves with some a combination of elements from Mintzberg’s (2005) power school in terms of politics, micropower and conflict and the planning school in terms rigid procedures and processes.

Cliché: Playing hardball

**Cohesive Community**

This subculture strongly upholds the values associated with teamwork, cohesion, participation and consensus. They have a strong sense of loyalty to the organisation and enthusiastically uphold values they perceive as the same as the organisation although in fact the organisation is much more bureaucratic with less focus on teamwork and more on procedures and processes. Although this ambition is misdirected and the subculture is in fact at odds with the organisation, the members value loyalty greatly. Traditions are vehemently upheld and new ones introduced if possible. Members have a longing for the past and better times and see the organisation through these lenses. There is a degree of sensitivity towards students and a general concern for people, but this student orientation is surpassed by the significance of cohesion and so inter-functional cooperation is the central focus.

In the long-term the focus is on maintaining the matrix structure as a means of ensuring cohesion as well as encouraging projects between colleges and departments such as a yearly newsletter by each Institute written by staff across the colleges. Such attempts at improving communication are repeatedly considered for greater cohesion and better morale. Preferred strategies would be based Mintzberg’s (2005) Cultural school relating to the aspects of consensus and cohesion.

Cliché: In a league of their own
Appendix 16: The correlation between values and market orientation by subculture

### Subculture 1

<table>
<thead>
<tr>
<th>Values with signification correlation to market orientation</th>
<th>Market-orientation</th>
<th>Pearson correlation</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direction within the organisation can generally be regarded as an example of rationality, aggression, and of a focus on results. (Market)</td>
<td>Student</td>
<td>-0.424</td>
<td>0.000</td>
</tr>
<tr>
<td>Direction within the organisation can generally be regarded as an example of rationality, aggression, and of a focus on results. (Market)</td>
<td>Cooperation</td>
<td>0.312</td>
<td>0.000</td>
</tr>
<tr>
<td>The organisation stresses human development. A high degree of trust, openness and participation prevail (Clan)</td>
<td>Student</td>
<td>0.368</td>
<td>0.000</td>
</tr>
<tr>
<td>The organisation stresses human development. A high degree of trust, openness and participation prevail (Clan)</td>
<td>Cooperation</td>
<td>0.310</td>
<td>0.000</td>
</tr>
</tbody>
</table>

### Subculture 2

*This subculture had no significant correlations*

### Subculture 3

<table>
<thead>
<tr>
<th>Values with signification correlation to market orientation</th>
<th>Market-orientation</th>
<th>Pearson correlation</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organisation is highly result-focussed. Work must be completed – this is what matters. People compete with each other and are very performance-focussed (Market)</td>
<td>Competition</td>
<td>0.426</td>
<td>0.012</td>
</tr>
<tr>
<td>Within the organisation, leadership style is characterised by team work, consensus, and participation (Clan)</td>
<td>Competition</td>
<td>0.418</td>
<td>0.014</td>
</tr>
<tr>
<td>The organisation stresses a competitive attitude and performance. The two dominant features are hard efforts to achieve goals and market victories (Market)</td>
<td>Competition</td>
<td>0.305</td>
<td>0.080</td>
</tr>
<tr>
<td>The organisation defines success based on the development of human resources, team work, employee commitment, and the caring for people (Clan)</td>
<td>Student</td>
<td>0.398</td>
<td>0.020</td>
</tr>
</tbody>
</table>
### Subculture 4

<table>
<thead>
<tr>
<th>Values with signification correlation to market orientation</th>
<th>Market-orientation</th>
<th>Pearson correlation</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the organisation, leadership style is characterised by team work, consensus, and participation (Clan)</td>
<td>Student</td>
<td>0.402</td>
<td>0.028</td>
</tr>
<tr>
<td>The bonding agent within the organisation is the emphasis on performance and on the achievement of goals (Market)</td>
<td>Student</td>
<td>-0.403</td>
<td>0.027</td>
</tr>
<tr>
<td>The bonding agent within the organisation is the emphasis on performance and on the achievement of goals (Market)</td>
<td>Cooperation</td>
<td>-0.467</td>
<td>0.009</td>
</tr>
<tr>
<td>The bonding agents within the organisation are the official rules and policies. It is important to maintain a smoothly operating organisation (Hierarchy)</td>
<td>Student</td>
<td>0.379</td>
<td>0.039</td>
</tr>
<tr>
<td>The organisation stresses human development. A high degree of trust, openness and participation prevail (Clan)</td>
<td>Student</td>
<td>0.509</td>
<td>0.004</td>
</tr>
<tr>
<td>The organisation stresses a competitive attitude and performance. The two dominant features are hard efforts to achieve goals and market victories. (Market)</td>
<td>Student</td>
<td>-0.403</td>
<td>0.027</td>
</tr>
<tr>
<td>The organisation defines success based on the development of human resources, team work, employee commitment, and the caring for people. (Clan)</td>
<td>Student</td>
<td>0.371</td>
<td>0.043</td>
</tr>
<tr>
<td>The organisation defines success based on the development of human resources, team work, employee commitment, and the caring for people. (Clan)</td>
<td>Cooperation</td>
<td>0.408</td>
<td>0.025</td>
</tr>
<tr>
<td>The organisation defines success based on whether the organisation has the most special or newest products. Launcher of new products, an innovator (Adhocracy)</td>
<td>Competition</td>
<td>0.369</td>
<td>0.045</td>
</tr>
<tr>
<td>The organisation defines success based on market victories and outpacing competitors. Competitive market leadership is of key importance (Market)</td>
<td>Student</td>
<td>-0.390</td>
<td>0.033</td>
</tr>
<tr>
<td>The organisation defines success based on market victories and outpacing competitors. Competitive market leadership is of key importance (Market)</td>
<td>Cooperation</td>
<td>-0.399</td>
<td>0.029</td>
</tr>
</tbody>
</table>
Subculture 5

<table>
<thead>
<tr>
<th>Values with signification correlation to market orientation</th>
<th>Market-orientation</th>
<th>Pearson correlation</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organisation stresses human development. A high degree of trust, openness and participation prevail.</td>
<td>Cooperation</td>
<td>0.323</td>
<td>0.032</td>
</tr>
</tbody>
</table>