The influence of organizational culture on attitudes toward organizational change

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Abstract

This study investigates the influence of organizational culture on attitudes toward organizational change in Malaysia. Based on the work of Goffee and Jones and Dunham *et al.*, a structured questionnaire was developed and self-administered to 258 companies listed in the Federation of Malaysian Manufacturing directory. The results showed that there is an association between organizational culture and the affective, cognitive, and behavioral tendency of attitudes toward organizational change. The findings also showed that different types of organizational culture have different levels of acceptance of attitudes toward organizational change. This means that certain type of organizational culture could facilitate the acceptability of change, while other types of culture could not accept it. The implications of this research are also discussed.

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Introduction

Change is the movement away from a present state toward a future state (George and Jones, 1996) or generally a response to some significant threat or opportunity arising outside of the organization (Gilgeous, 1997). Today, the business environment is changing fast. The changes in technology like computerization and e-commerce have created a quantum leap in data communication, work processes and the way of doing business. With the impending move toward globalization and liberalization of markets, organizations have to be prepared to cope with the rapid changes in the business dynamics. Every organization must submit to the varying demands and changes in the environment. Changes within an organization take place in response to business and

economic events and to processes of managerial perception, choice, and actions where managers see events taking place that indicated the need for change (Pettigrew, 1985).

Many organizations found change to be a real challenge. The change process in each organization is unique in each situation, due to the differences in the nature of the organization, the nature of the business, the work culture and values, management and leadership style, and also the behavior and attitude of the employees. Further, the risk of failure is greater as people are generally resistant to changes. For some, change may bring satisfaction, joy and advantages, while for others the same change may bring pain, stress and disadvantages.

According to Linstone and Mitroff (1994), there were three factors to be considered in implementing change processes, that is the technological, organizational and personal perspectives. Although people are the most important factor in making change, however, they are also the most difficult element to deal with (Linstone and Mitroff, 1994). Therefore, managing the human part of the organization becomes a major challenge in handling change processes in the organization as it involves values, preferences, and attitudes toward a particular activity. Attitudes, for instance, are difficult to change as people are generally more comfortable with what they have learned or knew due to stereotyping, fear of taking risks, intolerance to ambiguity, and possibly the need to maintain tradition (Dunham, 1984; Carnall, 1990).

Dunham (1984) stated that complex attitudes could be understood better by recognizing that every attitude has three distinct components, which are cognitive, affective and behavioral tendencies. Each of this type of attitude toward change may induce a person to support or not changes occurring in an organizational setting. Nonetheless, for any change to be effective, it is crucial to challenge and clarify people's beliefs, assumptions, and attitudes because the most potent leverage for significant and sustainable change resides within the human system at the core of every business system (Juechter et al., 1998).

Few studies have investigated the relationship between attitudes toward organizational change and organizational outcome such as organizational commitment, job satisfaction and work ethic. For example:

- the relationship between Islamic work ethics and attitudes of employee toward organizational change (Yousef, 2000);
- organizational commitment and attitudes toward organizational change (Iverson, 1996; Yousef, 2000); and
- job satisfaction and attitudes toward organizational change (Yousef, 2000).

These studies showed the importance of those factors with attitudes toward change. It was also known that organizational culture played an important role in the change process (Pool, 2000; Ahmed, 1998; Silvester and Anderson, 1999; Lorenzo, 1998; DeLisi, 1990; Schneider and Brief, 1996) However there was no attempt to examine the relationship between organizational culture and attitudes toward organizational change. Therefore, the fundamental issue guiding this research paper is whether organizational culture has an impact on attitudes toward organizational change.

This study is particularly important as it could provide us with a better understanding of the relationship between organizational culture and attitudes toward organizational change, particularly in the Malaysian context, as the dynamics of the business environment is changing rapidly. This is especially true as the Malaysian economy had experienced slow economic growth in the last five years (since 1997 financial crisis), and followed with short-term buoyant growth in the year 2000. These changes have compelled organizations to consider restructuring and reengineering their organizations in light of the impending merger and acquisition moves made in the last few years. For example, when Telekom Malaysia Berhad (a public listed company in the Kuala Lumpur Stock Exchange) acquired Technology Resources Industries Berhad (TRI), changes in the organizational structure, systems and process were inevitable. Besides changing the composition of the board of directors and the top management team, the new TRI also changed its way of doing business, thus changing its values and culture. From this study, it is possible to enhance our understanding on how or what type of culture is more

favourable to organizational change. The findings of this study also have potential implications to managers and consultants on the need to find appropriate organizational culture, consistent with the attitude toward organizational change.

Literature review

Organizational change

A change in organization refers to any alteration in activities or task (Dawson, 1994). Kanter *et al.* (1992) defined change as the process of analyzing the past to elicit the present actions required for the future. Cao *et al.* (2000), believed that organizational change showed a diversity of the organization in its environment, and also the interaction of the technical and human activities that had interrelated dimensions in the organization.

Attitudes can be difficult to change once they have been learned (Dunham, 1984). This is because there can be resistance to change from within. Dawson (1994) also noted that resistance to organizational change may result from one or a combination of factors such as substantive change in job, reduction in economic security, psychological threats, disruption of social arrangements, and lowering of status. Nonetheless, it cannot be denied that the attitude toward change by individuals may differ. Some are more resistant to change while others are more receptive to change. According to Elizur and Guttman (1976), there are three types of individuals' or groups' response to organizational change: affective, cognitive and instrumental. Affective response refers to the feeling of being linked to satisfaction or anxious about change. Cognitive responses are opinions relating to usefulness and necessity and about knowledge required to handle change, while instrumental responses refers to actions already taken or which will be taken to handle the change. Dunham *et al.* (1989) also suggested that there are three types of attitudes toward change: affective, cognitive and behavioral. The affective component consists of the feelings a person has toward an attitude object, which involves evaluation and emotion, and is often expressed as like or dislike for the attitude object. The cognitive component of an attitude consists of the information a person possess about a person or thing which

is based on what a person believes is true. The behavioral tendency concerns the way a person intends to behave toward an attitude object.

Several studies had provided insights on the impact of internal and external factors like organizational age, size, and inertia/momentum on an organization's effectiveness in responding to environmental (internal/external) changes (Meyer *et al.*, 1990; Kelly and Amburgey, 1991; Haveman, 1992; Fox-Wolfgramm *et al.*, 1998). Other studies had focused on the link between an outcome or criterion variables (like receptivity, resistance, commitment, cynicism or stress) and the success or failure of organizational change. Iverson (1996) found that an employees' acceptance of organizational change increases with organizational commitment, a harmonious industrial relations climate, education, job motivation, satisfaction and security. The employee acceptance decreases with union membership, role conflict, tenure and environmental opportunity. Yousef (2000) found that certain dimensions of organizational commitment directly influence certain attitudes toward organizational change, and job satisfaction with certain facets of job directly and indirectly (through different dimensions of organizational commitment) influences the different dimension of attitudes toward organizational change. Tierney (1999) found employees' relationships with their supervisors and teams shape their attitudes to the organization. The employees' perception of the change climate within the organization is consistent with those of their teams and supervisors. The quality of the relationship with the supervisor is important for employees' perception of the change climate.

Organizational culture

Culture consists of some combination of artifacts (also called practices, expressive symbols or forms), values and beliefs and underlying assumptions that organizational members share about appropriate behavior (Gordon and DiTomaso, 1992; Schein, 1992; Schwartz and Davis, 1981). Although there are many definitions of culture, organizational culture has been viewed as holistic, historically determined, and socially constructed. Culture involves beliefs and behavior, exists at a various levels, and manifests itself in a wide range of features of organizational life (Hofstede *et al.*, 1990). As such, organizational culture refers to a set of shared values, belief, assumptions, and

practices that shape and guide members' attitudes and behavior in the organization ([Davis, 1984](); [Denison, 1990](); [Kotter and Heskett, 1992](); [O'Reilly and Chatman, 1996](); [Wilson, 2001]()).

In trying to understand better the concept of corporate culture, several typologies had been developed. One of the most recent typologies was developed by [Goffee and Jones (1998)](). [Goffee and Jones (1998)]() categorized organizational culture into four main types based on two dimensions: sociability and solidarity. Sociability can be defined as friendliness in relationships between people in an organization. It is valued for its own sake and independent of its impact on the performance of the organization. Through friendships, ideas, attitudes, interests and values are shared. Reciprocity is a hallmark of friendship; so that actions are taken that favour others with no expectation of immediate payback.

On the other hand, solidarity is the ability of people to pursue shared goals efficiently and effectively for the larger good of the organization without much regard for the impact on individuals and the relationships between them. Solidarity is favorable in the sense that it generates single-minded dedication to the organization's mission and goals, quick response to changes in the environment, and an unwillingness to accept poor performance. In this type of culture, work roles are defined and understood and everyone is working for the overall good and everyone held to the same high standards. People in high-solidarity organizations often trust their employers to treat them fairly, based on merit, with resulting commitment and loyalty to the firm.

When the two dimensions of sociability and solidarity are placed on the axes of a diagram (see [Figure 1]()) four cultures are defined by the quadrants of the figure. The four main types are:

1. communal culture;
2. fragmented culture;
3. networked culture; and
4. mercenary culture.

In that framework, culture is a community or the way in which people relate to each other.

The communal organization with high sociability and high solidarity is typical of new, small, fast-growing companies. People are driven by common goals, and at the same time are united by strong social bonds. Fragmented organizations might appear to be completely dysfunctional. The low sociability and low solidarity of this organizational culture seems to leave it rudderless and ungovernable. The networked organization has a culture of low solidarity and high sociability. High sociability is evident from the frequent "water-cooler" conversations, and colleagues going to lunch together and spending time in activities and social gatherings outside the workplace. Finally, mercenary organizations with low sociability and high solidarity are focused on strategy and winning in the marketplace. They have clear priorities and act quickly in response to outside events. Persons who do not perform are encouraged to go if they are incapable of improvement. From past studies, it is clear that organizational culture can affect the organizational performance, and consequently affect the changes in the organization.

From past research, studies on corporate culture focused on its relationship with performance (Denison, 1990; Denison and Mishra, 1995; Gordon, 1985; Kotter and Heskett, 1992; Peters and Waterman, 1982; Ouchi, 1981), cultural change (Harrison and Carrol, 1991; Ogbonna and Harris, 1998; Sathe, 1983; Silvester and Anderson, 1999), strategy (Choe, 1993; Schwartz and Davis, 1981) and the relationship between organizational culture and industry characteristics (Christensen and Gordon, 1999; Gordon, 1991; Hofstede *et al.*, 1990; Spender, 1989;). Despande and Farley (1999) studied the relationship between corporate culture and market orientation in Indian and Japanese firms. They found that the most successful Indian firms had entrepreneurial culture, while the Japanese firms had entrepreneurial and competitive culture. Organizational culture has also been recognized to have an important role in assuring efforts in organizational change (Ahmed, 1998; DeLisi, 1990; Lorenzo, 1998; Schneider and Brief, 1996; Silvester and Anderson, 1999; Pool, 2000). Herguner and Reeves (2000) investigated Turkish organizational culture change in higher education. Between 1991-1994, the Turkish culture was more consultative, but by 1998, it was more toward

participative. This means that over a period of time, there was a change in the organizational culture. Since organizational culture also described the part of the organization's internal environment (organizational climate and culture), which incorporates a set of assumptions, beliefs, and values that organizational members share and use to guide their functions (Kilmann *et al.*, 1985; Schein, 1992), therefore it could be expected that these assumptions, belief, and values might guide and shape people's attitudes toward organizational change.

Theoretical framework

Organizational culture appeared to have some influence on attitudes toward organizational change (Ahmed, 1998; Lorenzo, 1998; Silvester and Anderson, 1999; Pool, 2000). According to Ahmed (1998), innovation is the engine of change and the possession of positive cultural characteristics provides the organization with necessary ingredients to innovate. Culture could enhance or inhibit the tendency to innovate. Pool (2000), however, suggested that organizational culture allowed an organization to address ever-changing problems of adaptation to the external environment and the internal integration of organization resources, personnel and policies to support external adaptation. Therefore, it is expected that certain types of culture might facilitate the change process while other types of culture might not. One major issue confronting organizations is to determine which type of organizational culture favors organizational change. This can be a challenging task for top managers, as the managers have to decide how to implement changes in their organization. Some have argued that the process has to start at the top while others have suggested that it should also start with the bottom-up approach (Lupton, 1971). As such it appears that there may be a relationship between organizational culture and attitudes toward organizational change.

In this research, organizational culture is defined in terms of the sociability and solidarity dimensions as proposed by Goffee and Jones (1998). Goffee and Jones (1998) categorized organizational culture into four main types based on two dimensions: sociability and solidarity. Sociability is defined as the extent of friendliness in relationships between people in an organization. Solidarity is the ability of people to

pursue shared goals efficiently and effectively for the larger good of the organization without much regard for the impact on individuals and the relationships between them. Based on these two dimensions, Goffee and Jones suggested that there were four main types of corporate culture, namely the communal culture, fragmented culture, networked culture and mercenary culture. In this framework, culture is a community or the way in which people relate to each other. This typology was selected as it was found (from personal interview and observation) that the categorization of the cultural types appeared similar or comparable to organizations in Malaysia.

The attitude toward change refers to the three types of attitudes as proposed by Dunham et al. (1989) comprising three types, namely the affective, cognitive and behavioral attitudes toward change. One issue raised, is which of the three types of attitudes are more critical, is it the cognitive, affective or behavioral. Should organizational changes start by adopting the cognitive or affective mode and then followed by the behavioral mode? Following the argument that one of major obstacles of change is "fear of the unknown" or "unfamiliar situation", the cognitive mode can be an effective mode to be addressed first. This is because once a person has information and knowledge of the potential changes to be made, his or her feelings toward change may be changed to favor such changes. It should also be highlighted that handling the cognitive component on attitude toward change can also be a daunting task if it is not well communicated. This will be demonstrated by the action or behavioral mode of the person in responding to the changes. As such, this model provided a comprehensive approach in understanding the attitudes toward organizational change.

The theoretical model in this study is shown in Figure 2.

From the above literature review and the model of the study, it is hypothesized that there is an association between organizational culture and attitudes toward organizational change

Methodology

Sample and data collection

A total of 1,965 companies registered with the Federation of Malaysian Manufacturers Directory in the year 2001, was used as the sample population. Questionnaires were mailed to the chief executive officer (CEO) and/or managers in the sample population. A total of 281 completed questionnaires were returned (representing a response rate of 14.3 percent) but only 258 are usable for data analysis.

In the sample, nearly 65 percent of the total respondents were male and the rest were female. About 41 percent of the total respondents were Malays, 46 percent were Chinese, and 9.7 percent were Indians. In terms of age group, nearly 62 percent of the respondents were between 31-50 years old, 23 percent were below 30 years old, and 13.6 percent were above 50 years old. In terms of educational background, nearly 75 percent had tertiary education (bachelor's degree or equivalent). With respect to job position, 22.9 percent of the respondents were CEOs, 26.4 percent were general managers, and 30.2 percent were human resource managers. Table I summarizes the background of the respondents.

Table II shows the major characteristics of the companies that participated in this study. In terms of the product category, the highest number of companies were from electrical and electronics, chemicals, and automotive and component parts. These three accounted for 19.8 percent, 18.6 percent and 10.1 percent respectively.

With respect to the ownership of the company, majority (78.3 percent) was private limited company. In terms of the number of years of establishment, 65.5 percent of the sample companies had been established for more than ten years. With regard to the number of employees, 32.9 percent of the companies had 100 or less number of employees, 27.5 percent had between 101 to 300 employees, 17.8 percent had between 301 to 500 employees, 10.5 percent had between 501 to 700 employees, 5.8 percent had between 701 to 1,000 employees and 5.4 percent had more than 1,000 employees.

Measures

Organizational culture was measured using Goffee and Jones's (1998) cultural typology. The instrument on organizational culture comprised of 23 items, with 12 items assigned

to each of the two dimensions of organizational culture. A high score on both sociability and solidarity indicated the organization possessed a communal culture. A low score on both sociability and solidarity indicated the organization possessed a fragmented culture. A high score on sociability and low on solidarity indicated the organization possessed a networked culture. Finally, a low score on sociability and high on solidarity indicated the organization possessed a mercenary culture.

A five-point interval scale was employed to measure each of the responses. The respondents were asked to indicate their responses ranging from 1 (strongly agree) to 5 (strongly disagree). The internal consistency (Cronbach's alpha) for solidarity dimension and sociability dimension of organizational culture were 0.8895 and 0.8309, respectively. The Cronbach's alpha coefficient for organizational culture for the 23 items was 0.7157.

The attitude toward change was measured using Dunham *et al.*'s (1989) 18-item instrument. This instrument consists of three subscales, namely cognitive, affective and behavioral tendency toward change and each subscale consists of six items. A five-point interval scale was used, ranging from 1 (strongly agree) to 5 (strongly disagree). Scores on each subscale (six items) were totaled and divided by six to yield a mean score reflecting that subscale. Then, the mean score on each subscale (three subscales) were averaged again to yield a mean score for the overall attitudes toward organizational change. The internal consistency (Cronbach's alpha) for overall attitudes toward change was 0.8929, while the coefficient for each of the dimensions on cognitive, affective, and behavioral was 0.7806, 0.7714 and 0.7935 respectively.

Analysis

Data were analyzed using the Statistical Package for Social Sciences (SPSS) version 10.0 for Windows software. Descriptive statistics, which include frequencies and percentages, were utilized to present the main characteristics of the sample and the profile of organizational culture and attitudes toward organizational change. Cross-tabulation and chi-square analysis were also employed to measure the association between the variables.

Results and discussion

Organizational culture

Table III shows the profile of organizational culture of the respondents. The results showed that 46.9 percent of the companies had mercenary culture. In this type of culture, the emphasis was on strategy and winning in the marketplace. The members in the organization have clear priorities and act quickly in response to outside events. People who did not perform were encouraged to go if they were incapable of improvement. This implies that, at a time where the country is still facing the economic uncertainty and stock market volatility, the business environment is highly competitive and fragile. Thus, mercenary culture would be more capable of achieving higher efficiency and effectiveness in an organization.

On the other hand, fragmented culture was least evident in the sample. About 3.9 percent of the respondents have such culture. This is not unusual as many of the respondents were in manufacturing industries, while the fragmented culture should be more evident in the professional services (Goffee and Jones, 1998). Virtual organizations that outsource many functions or services could also have such a type of culture, which was not found in this study.

The results also showed that 33.7 percent of the total respondents adopted the network culture and 15.5 percent adopted the communal culture. The higher proportion of the respondents in the networked culture is not surprising as it is consistent with the cultural values of the Malaysian managers, and a typical of business communities world-wide. The high sociability suggests that it has high commitment and therefore ensures overall organizational success. The low solidarity scale would not hamper the organizational growth and development as many decisions are made on an informal basis or say at golf courses rather than at formal meetings. To a certain extent it showed the concept of collectivity among the Asians/Malaysians.

The presence of communal culture may be related to the fact that these organizations were small or new. Common goals and strong social bonds drive these organizations. Over time, the culture of the organization may change (Goffee and Jones, 1998).

The results of this study showed the presence of certain types of organization and culture in Malaysian manufacturing industries. It was also clear that certain types of organizational culture were more dominant than others.

Attitude toward change

Table IV showed the attitude toward organizational change. Nearly 46 percent of the total respondents have positive attitudes toward change, and 52.3 percent portrayed strongly positive attitude toward organizational change. This means that almost 98 percent of the total respondents were receptive to change. This could be attributed to the present economic condition (slow growth) and rapid technological advancement in the business environment. The unexpected changes in the world economic and political scenario have also heightened the level of uncertainty, and consequently adapting to the impending changes needed to ensure organizational survival. Some of the issues are related to e-business, mergers and restructuring exercises/rightsizing, and unexpected socio-political actions due to "terrorism" and financial scandals or unethical practices like the Worldcom, Arthur Anderson or Enron incidents. These factors had made managers more receptive toward change, and consider newer ways to do work or business in the advent of greater challenges ahead. Managers are, therefore, determined and always look forward to change to prosper and survive in the demanding environment. In the local (Malaysian) scene, similar or related turn of events had also created a more positive attitude toward change, like the takeover by Telekom Malaysia of Celcom (Technology Resources Industries Berhad -- TRI) and the Malaysia Airlines by the Government of Malaysia from TRI Berhad. The restructuring of Renong Berhad, another large conglomerate and mergers of the financial institutions may also suggest the greater acceptability toward organizational change. The changes were not only evident at the top management level, but also at the senior positions in the respective organizations.

Relationship between organisational culture and attitudes toward change

Tables V-VIII showed the results of the χ^2 test on the relationship between organizational culture and the attitudes toward organizational change (cognitive, affective and behavioral tendency), and the overall attitude toward organizational change.

Table V showed that there is an association between organizational culture and the cognitive attitude toward organizational change. The χ^2 value was 41.122, significant at $p < 0.0001$. Table VI showed the association between organizational culture and affective attitude toward organizational change, and the χ^2 value was 68.497, significant at $p < 0.0001$. Table VII showed the association between organizational culture and behavioral attitude toward organizational change, and the χ^2 value was 42.151, significant at $p < 0.0001$. Finally, Table VIII showed that there is an association between organizational culture and the overall attitude toward organizational change, and the $\chi2$ value was 82.764, significant at $p < 0.0001$.

From the above results, it implies that the hypothesis that there is an association between organizational culture and attitudes toward change is supported.

It could also be discerned there were clear associations between types of corporate culture and the attitude toward organizational change. More specifically, in the fragmented culture, 90 percent have a positive attitude toward change, and 10 percent had a strongly positive attitude toward change. In the network culture 79.3 percent had a positive attitude, and 18.4 percent had strongly positive attitude toward organizational change. In the mercenary culture 78.5 percent had a strongly positive attitude toward organizational change, and 19.8 percent had positive attitude toward organizational change. In the communal culture, 57.5 percent had a strongly positive attitude and 40 percent had a positive attitude toward organizational change.

The results also showed that strongly positive attitudes toward organizational change are dominated by organizations with mercenary culture (70.4 percent), and positive attitudes toward organizational change are dominated by organizations with networked culture (58.5 percent). These results suggest that, if organizational culture promotes single-minded dedication to the organization's mission and goals, quick response to changes in

the environment, and an unwillingness to accept poor performance, people are much more receptive to change. Meanwhile, people are less tolerant to change if the organizational culture promotes a tolerance of poor performance on the part of friends, an "exaggerated concern for consensus" when friends are reluctant to disagree with or challenge or criticize one another, insufficient focus on mission, strategy, and goals.

The results, therefore, showed that organizational culture plays an important role in the successfulness of the change process (Lorenzo, 1998; Ahmed, 1998; Pool, 2000). This result also supported Yousef's (2000) assertion that certain patterns of organizational culture might facilitate the acceptance of change while others might not.

Conclusion

The findings of this study showed that organizational culture is associated with attitudes toward organizational change. Different types of organizational culture have different levels of acceptance on attitudes toward organizational change. Overall, the sample in this study showed that the respondents have a positive or strongly positive attitude toward change.

One major implication of this finding is that organizational culture has an effect in the organizational change process. This study has provided empirical evidence and suggested that certain types of organizational culture have an effect on attitudes toward potential changes in an organization, which was not known earlier. Second, this study showed how the cultural typology was related/associated with each type of attitudes toward change. This demonstrated the importance of each type of culture and level of acceptance on attitude toward change. Finally, the findings of this study support the previous studies on the importance of culture in organizational change processes in non-Western context, which is not widely known in the literature.

The present research has several implications for managers. The findings showed that mercenary culture have strong positive attitude toward change. This is not unreasonable as the mercenary culture survived on "who rewarded them most". In other words, in the present organizational context where survival is critical, the mercenary culture adopted

well to ensure his/her survival. Therefore, as managers, the mercenary culture in an organization can ensure effective and efficient management of organizational goals and objectives. This type of culture will ensure that people will work hard, make things happen and hit the targets that were set. The largest percentage of Malaysian managers in this type of culture suggests the need to ensure achievement of organizational goals and objectives. As such, some managers may be ruthless in handling the situation and have negative effects on other employees or organizations. On the contrary, this type of culture is most appropriate in a rapid changing business environment that required immediate action. This type of culture is also appropriate for short-term orientation and adopted in a non-complex environment.

The study also found that network cultural groups had positive attitudes toward change. In this type of culture, the need to change the attitude of other members in the organization to adopt changes would not be difficult as they are among "friends" in the organization. This is a positive trait of a network culture. However, this type of culture may have difficulties in implementing the changes in an organization when the proposed changes may affect their friends in the organization, particularly when their friends are non performers in the organization. Managers in this type of culture have to be skillful in handling sensitive issues so as not to arouse any negative impact on the organization. One way of handling change in this type of culture would be to use more informal networks and take time to introduce changes. In other words, time and patience is needed to prepare the employees to accept changes in the organization, if the changes are difficult for one of their friends.

Finally, one managerial implication is that any form of changes to be made to an organization should be reviewed in relation to the type of organizational culture. In other words, managers may need to understand first, the type of organizational culture prevalent in an organization, and then adopt one or several approaches to handle changes in the organization. In an organization where there is a dominant culture, it may not be as complex as compared with organizations that have weak cultures, that is may sub-cultures in an organization. This posed a real challenge to managers in introducing changes considering the rapid development in the current business environment. Since
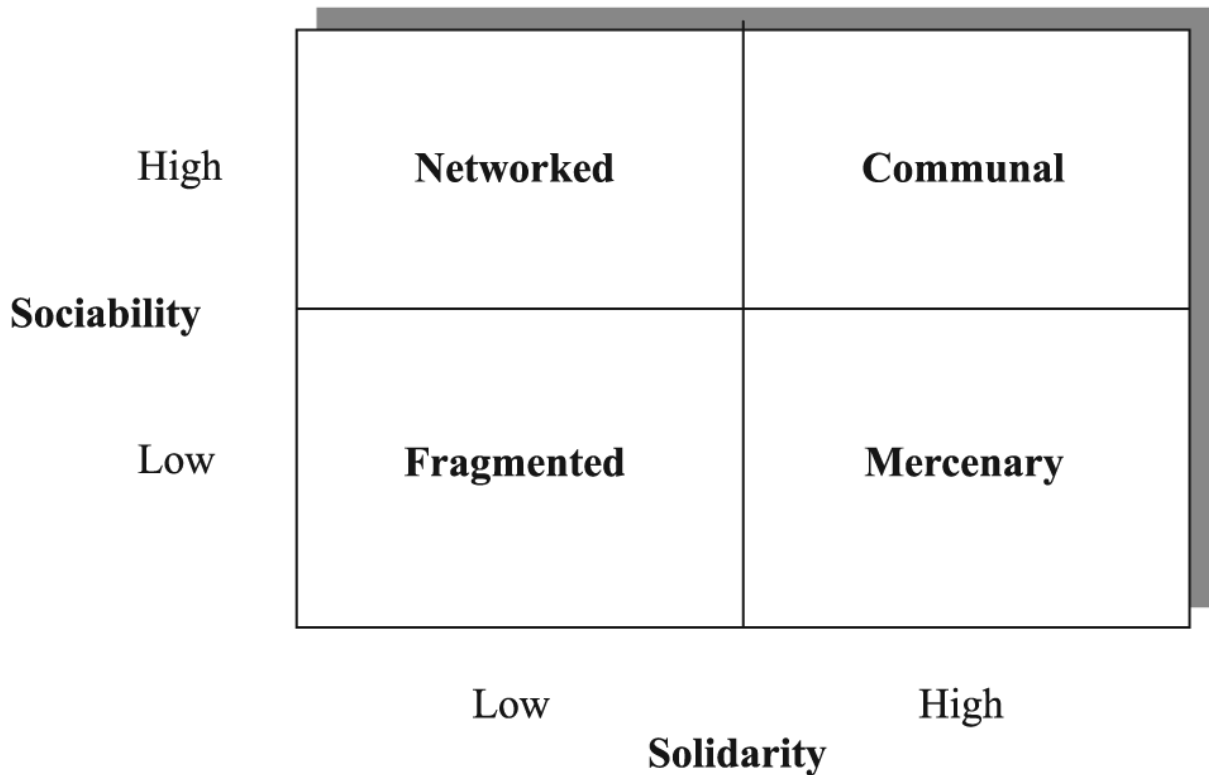
change involves people, handling them is critical in addressing change in the organization.

Organizational change implies a variation from the normal situation. As such this finding has implications on organizational policy. One implication is related to the issue of organizational leadership. In this study, the negative attitude toward change was not prevalent. This means that Malaysian leaders have fewer problems in introducing organizational changes. Nonetheless, the task of handling change in an organization can be difficult if the organizational policy is not well communicated throughout the organization. Further, effective leaders have to ensure that the proposed changes are accepted and committed by all members in the organization. Organizational reforms should not only be "top-down", but also "bottom-up" to ensure its effectiveness in the long run. It also implies that managers have to revise organizational policies at an incremental pace, and patiently make improvements leading to the intended change in the organization.

This study also has limitations. First, the sample size (n=258) is relatively small compared to the total number of manufacturing concerns in Malaysia. Further, the findings are focused on manufacturing firms, and did not include the services and other sectors. This might constrain the generalizability of the findings and conclusions. Further, the organizational culture was measured in a nominal scale instead of the Likert or interval scale. This inhibits the application of more advanced statistical techniques in the analysis. Third, the use of questionnaire to collect data regarding employees' attitude toward organizational change might not fully capture the dynamic nature of organizational change. A questionnaire followed by series of interviews might better capture individuals' attitude toward organizational change.

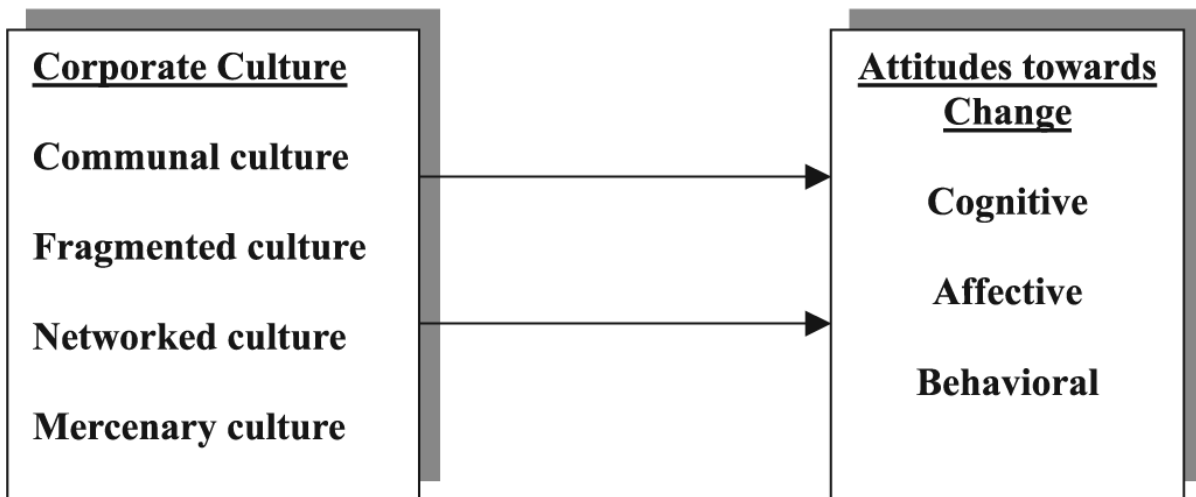For further research, a few suggestions are recommended. First, a longitudinal study of the relationships between various dimensions of attitudes toward organizational change, organizational culture and organizational strategy might better capture the dynamic nature of attitudes toward organizational change. Second, a study on the relationship between organizational culture and attitudes toward organizational change and its impact

on financial performance may also provide potential implications on organizational performance. This is particularly important as the fundamental issue in organizations is to meet its profitability expectations or shareholders' return on investment. Further research could also be considered by considering the impact of organizational size, age of the organization and the type of industry/sector of the firms.

	Low Solidarity	High Solidarity
High Sociability	**Networked**	**Communal**
Low Sociability	**Fragmented**	**Mercenary**

Source: Goffee and Jones (1998)

Figure 1 *Corporate culture framework*

Figure 2 *Theoretical model*

Characteristics	Frequency (n = 258)	Percentage
Gender		
Male	167	64.7
Female	91	35.3
Respondent ethnic origin		
Malay	105	40.7
Chinese	119	46.1
Indian	25	9.7
Others	9	3.5
Respondent age		
Under 30	59	22.9
31 to 40	79	30.6
41 to 50	85	32.9
Above 50	35	13.6
Current position		
CEO	59	22.9
General manager	68	26.4
HR manager	78	30.2
Executive	29	11.2
Production manager	4	1.6
Manager (others)	20	7.8
Education level		
SPM/STPM	8	3.1
Diploma	54	20.9
Degree	105	40.7
Master	84	32.6
Professional	5	1.9
Others	2	0.8

Table I.
Demographic
characteristic of
respondents

Table I *Demographic characteristic of respondents*

Profile	Frequency (n = 258)	Percent
Product category		
Agricultural products	8	3.1
Construction and building materials	7	2.7
Food and beverages	19	7.4
Household products and appliances	6	2.3
Textiles and wearing apparel	7	2.7
Electrical and electronic products	51	19.8
Rubber products	19	7.4
Iron and steel products	9	3.5
Automotive and component parts	26	10.1
Chemical products	48	18.6
Furniture and wood-related products	12	4.7
Machinery and engineering products	6	2.3
Pharmaceutical, medical, cosmetics and toiletries	4	1.6
Plastic products	14	5.4
Glass products	3	1.2
Others	19	7.4
Company ownership		
Private limited	202	78.3
Public limited	37	14.3
Foreign majority	13	5.0
Joint venture	6	2.3
Years of establishment		
Less than 3	16	6.2
3-5	15	5.8
5-10	58	22.5
More than 10	169	65.5
Total employee number		
100 or less	85	32.9
101-300	71	27.5
301-500	46	17.8
501-700	27	10.5
701-1,000	15	5.8
More than 1,000	14	5.4

Table II.
Profile of companies

Table II Profile of companies

Cultural type	Frequency	Percentage
Fragmented culture	10	3.9
Networked culture	87	33.7
Mercenary culture	121	46.9
Communal culture	40	15.5
Total	258	100

Table III.
Profile of organizational culture

Table III Profile of organizational culture

Attitudes toward organizational change	Frequency	Percentage
Negative	5	1.9
Positive	118	45.7
Strongly positive	135	52.3
Total	258	100

Table IV. Profile of overall attitudes toward organizational change

Table IV Profile of overall attitudes toward organizational change

Type of culture	Cognitive tendency attitude Negative n	%	Positive n	Strongly positive %	n	%	Total n	%
Fragmented culture			7	2.7	3	1.2	10	3.9
Networked culture	4	0.8	56	21.7	29	11.2	87	33.7
Mercenary culture	2	1.2	27	10.5	91	35.3	121	46.9
Communal culture	3	1.2	12	4.7	25	9.7	40	15.5
Total	9	3.5	96	37.2	153	59.3	258	100

	Value	df	Asymp. sig. (two-sided)
Pearson Chi-square	41.122[a]	6	0.000
Likelihood ratio	41.505	6	0.000
Linear-by-linear association	13.573	1	0.000
No. of valid cases	258		

Note: [a] Five cells (41.7 percent) have expected count less than five. The minimum expected count is 0.31

Table V. Chi-square test between organizational culture and cognitive tendency attitudes towards organizational change

Table V Chi-square test between organizational culture and cognitive tendency attitudes towards organizational change

Type of culture	Affective tendency attitude Negative n	%	Positive n	Strongly positive %	n	%	Total n	%
Fragmented culture	3	1.2	6	2.3	1	0.4	10	3.9
Networked culture	2	0.8	56	21.7	29	11.2	87	33.7
Mercenary culture	3	1.2	27	10.5	91	35.3	121	46.9
Communal culture			14	5.4	26	10.1	40	15.5
Total	8	3.1	103	39.9	147	57	258	100

	Value	df	Asymp. sig. (two-sided)
Pearson Chi-square	68.497[a]	6	0.000
Likelihood ratio	57.169	6	0.000
Linear-by-linear association	32.778	1	0.000
No. of valid cases	258		

Note: [a] Five cells (41.7 percent) have expected count less than five. The minimum expected count is 0.31

Table VI. Chi-square test between organizational culture and affective tendency attitudes toward organizational change

Table VI Chi-square test between organizational culture and affective tendency attitudes toward organizational change

| | Behavioral tendency attitude | | | | Strongly positive | | Total | |
Type of culture	Negative n	%	Positive n	%	n	%	n	%
Fragmented culture	2	0.8	8	3.1			10	3.9
Networked culture	4	1.6	55	21.3	28	10.9	87	33.7
Mercenary culture			39	15.1	82	31.8	121	46.9
Communal culture	1	0.4	14	5.4	25	9.7	40	15.5
Total	7	2.7	116	45	135	52.3	258	100

	Value	df	Asymp. sig. (two-sided)
Pearson Chi-square	48.151[a]	6	0.000
Likelihood ratio	49.857	6	0.000
Linear-by-linear association	30.351	1	0.000
No. of valid cases	258		

Notes: [a] Five cells (41.7 percent) have expected count less than five. The minimum expected count is 0.27

Table VII.
Chi-square test between organizational culture and behavioral tendency attitudes toward organizational change

Table VII Chi-square test between organizational culture and behavioral tendency attitudes toward organizational change

| | Overall attitude towards change | | | | Strongly positive | | Total | |
Type of culture	Negative n	%	Positive n	%	n	%	n	%
Fragmented culture			9	3.5	1	0.4	10	3.9
Networked culture	2	0.8	69	26.7	16	6.2	87	33.7
Mercenary culture	2	0.8	24	9.3	95	36.8	121	46.9
Communal culture	1	0.4	16	6.2	23	8.9	40	15.5
Total	5	1.9	118	45.7	135	52.3	258	100

	Value	df	Asymp. sig. (two-sided)
Pearson Chi-square	82.764[a]	6	0.000
Likelihood ratio	88.979	6	0.000
Linear-by-linear association	36.455	1	0.000
No. of valid cases	258		

Notes: [a] Five cells (41.7 percent) have expected count less than five. The minimum expected count is 0.31

Table VIII.
Results of cross-tabulation between organizational culture and overall attitudes toward organizational change

Table VIII Results of cross-tabulation between organizational culture and overall attitudes toward organizational change

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