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Procedia Economics and Finance 14 (2014) 415 – 424

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**Procedia**  
 Economics and Finance  


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International Conference on Applied Economics (ICOAE) 2014

## Organizational Culture and Motivation in the Public Sector. The case of the City of Zografou

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### Abstract

In an era of increasingly diminishing public funding for local government organizations, motivating public employees is becoming a nearly impossible mission, with managers searching for non-monetary reward practices, to maintain or even increase motivation and performance of their subordinates. The purpose of this study is to investigate the motivational dynamics of the employees of a public sector organization and their relationship to its culture. The Competing Values Model was employed to diagnose the organizational culture and to illuminate the relationship of culture and motivation in the organization studied. The research has shown that the dominant culture type is Hierarchy (Bureaucracy) while motivation level was found to be low, demonstrating a negative association between the two variables. Also found was a positive relationship between the desired culture (clan) and motivation. The findings point to the need of a re-examination of the existing organizational culture by the local government and the creation of one that is closer to the one with greater motivating potential

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Selection and/or peer-review under responsibility of the Organizing Committee of ICOAE 2014

**Key words: organizational culture; motivation; public sector; relationship between organizational culture and motivation; hierarchy culture; clan culture**

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## **1. Organizational Culture**

The definition of organizational culture has been the subject of a wide debate, and scholars from various disciplines have been drawn to it offering diverse perspectives. As a result, the term culture came to be used interchangeably with concepts such as values, organizational climate, physical and cultural artifacts, norms or as the “normative glue” pervading organizational action and holding members together (Schneider, Brief & Guzzo, 1996). However, all the above represent manifestations of culture rather than the culture itself (Schein, 1983).

Perhaps the most commonly known definition is “the way we do things around here” (Lundy & Cowling, 1996). In this research the term organizational culture means: i) the sustained patterns of perceiving, interpreting and acting of organizational members ii) the set of assumptions that determine the above patterns (Schein, 1985) iii) the amalgam of beliefs, ideology, language, ritual and myth as well as norms, stories, legend and physical artifacts such as buildings and offices (Schein, 1985).

The culture of an organization is manifested in its typical characteristics. Therefore, we can say that it refers to a set of assumptions which are accepted within the organization because they have worked well in the past. These assumptions are seen as valid assumptions and may be beliefs or values of the founder, or the solution to a problem that has been frequently met and solved and which is now implicitly and unconsciously solved. Also, they are seen as the right way in which things are done or problems should be understood in the organization. Norms, values, philosophy, rules of the game and feelings are part of the organizational culture (Hellriegel et al., 1998; Smit & Cronje, 1992).

Organizational culture plays an important role in the general functioning of an organisation. It is an important parameter of the organization’s performance and effectiveness. Firstly, organizational culture helps members of an organization obtain a sense of identity. Employees understand that they belong to a “company – community” that has certain values, beliefs and ideology. Thus, they have a sense of commitment to something larger than their individual interest and they understand that the organization in which they belong is different from others. Organizational culture creates distinction between one organization and others. Robbins (2001) calls this “a boundary – defining role” of organizational culture. Also, culture serves as a sense making and control mechanism that guides and shapes employees’ attitudes and behavior. It provides employees with the necessary rules for what they should say or do and in this way it helps hold the organization together (Robbins, 2001).

Furnham and Gunter (1993) present the functions of organizational culture as “internal integration and coordination”. By the term internal integration they refer to the socializing of new members in the organization, to the feeling of commitment to the organization and of identity among personnel and, finally, to the creation of the boundaries of the organization. The term coordination means “creating a competitive edge, making sense of the environment in terms of acceptable behavior and social system stability” (E.C.Martins & F. Terblanche, 2003).

A very well-known culture typology is the one developed by Cameron and Quinn (1999). This model argues that organizational cultures have two dimensions. The first entails a continuum of flexibility and control while

the second one distinguishes between the company's internal and external orientation. Some companies, for example, are viewed as effective if they are adaptive, entrepreneurial and flexible, while others are effective because they remain unchanged, stable and predictable. Similarly, companies may be characterized effective if they achieve integration and unity while others may emphasize competing and interacting with others in their environments (Cameron & Quinn, 1999). Together these two dimensions form four clusters, each representing a distinct set of organizational effectiveness indicators. These indicators represent what people value about an organization's performance. The four clusters were named by Cameron and Quinn, "Clan, Adhocracy, Market, Hierarchy".

- **Clan:** This is an organisation concerned about its employees and their development. It is inwardly focused, allowing self-expression and discretion to its members. Essential elements of this kind of organisation are mutual trust, friendliness, support and interest for colleagues, informal communication, team cohesion and employees' loyalty and commitment.
- **Adhocracy:** This is the kind of culture that promotes risk taking and innovativeness among its members, focusing on the growth of the company through innovation. Emphasis is given on the external environment, on changes on the industry, competitiveness, experimentation, and new and unique products. Managers act mostly as businessmen and innovators.
- **Hierarchy:** This type of culture focuses on coordination, stability and predictability, which are achieved through complex rules and regulations. It has many things in common with Max Weber's bureaucracy (Robbins-Coulter, 1999).
- **Market:** This type of culture is characterized by goal and achievement orientation, competitive spirit and tough and demanding leadership.

## 2. Motivation

Motivation is defined as the process which mobilizes, directs and supports an individual's effort towards a specific goal (Robbins, 2001). It is very important not only for private but for public organizations as well because it helps understand employee behavior, predict the results of a managerial decision and influence individuals in order to achieve their goals and those of the organization. As a result, motivation constitutes one of the most important problems of a public sector manager (Zavlanos, 2002).

It is widely accepted that the public sector is a decisive factor in securing the effective and efficient function of a country's social and economic system because of its important contribution in all fields. But, in order to be able to operate efficiently and effectively it is absolutely necessary to have competent and highly knowledgeable personnel and to safeguard the constant motivation of its employees so that their work gets meaning and continue their efforts to achieve the goals that have been set by the organization. Thus, it would be very useful to examine which are the factors that motivate public sector employees and what are their motives and priorities.

People are motivated by many different considerations to work for and in government. As noted by Perry and Hondeghem (2008), the public sector has traditionally offered some strong extrinsic motivators that might attract people, such as security of tenure, career and development opportunities and the pension system. Vandenebeebe (2008) has also identified 'quality of life' as an attraction of public sector work, with people

having the impression that the public sector affords better flexibilities for those combining work with family or other commitments (O’Riordan, 2013).

However, these extrinsic or rational considerations, which might lead a person to seek public sector employment lie outside what is widely understood by the terms ‘public service motivation’ (PSM). This theory has come as an answer to the rise of New Public Management theory. This has involved the introduction of private sector or market oriented practices such as performance related pay, targets and performance indicators, into the public sector. PSM, on the contrary, suggests that education, feedback, participation, giving meaning to an individual’s work, goal-setting, interpersonal relations, rewards and recognition play a more important role as motivators. In this context rather PSM relates only to the notion that ‘individuals are oriented to act in the public domain for the purpose of doing good for others and society’ (Perry, Hondeghem and Wise, 2010).

According to Perry and Wise (1990) public service motivation is defined as “an individual’s predisposition to respond to motives grounded primarily or uniquely in public institutions and organisations”. They realized that the motives that influence a public servant’s behavior are: i) rational public service motives which are related with the employee’s inclination to increase his personal profit by satisfying his need for power or for feeling important ii) norm-based motives which are related to duty, loyalty to public administration and interest in social equality. In this case employees want to serve the public interest and society. iii) affective motives which concern the employee’s desire to help others.

### **3. Methodology**

In the present study the method of primary quantitative research was followed using a structured questionnaire. The research was conducted in the administrative offices of the City of Zografou. The number of staff employed in the administration services of the municipality is 475 of which administrative staff are 352 (deducting blue-collar workers of the municipality). Important to the credibility of the research was to ensure the anonymity of respondents aimed at sincerest and most representative completing of the questionnaires. The questionnaire was completed by 50 administrative officials of the Municipality of Zografou, which means that the percentage of the sample compared to the overall population of employees of the service amounts to 14.2%.

The questionnaire used in this study was developed to measure employee motivation and was based on the theories of Cameron & Quinn in what concerns the investigation of organizational culture and those of Maslow and Herzberg in regards to motivation. It consists of three parts: the first part includes six factors that compose the organizational culture of the organization (dominant characteristics of the organization, leadership, organizational glue, that is elements that unite employees, strategic emphasis, success criteria and style of management). Employees were asked to distribute 100 units in 4 distinct organization types (A, B, C, D) for each of these characteristics. Each distinct type is essentially one of the four types of organizational culture of Cameron & Quinn (A: clan, B: adhocracy, C: hierarchy, D: market). The second part consists of 18 questions, grouped into four distinct motivational factors. The factor "rewards" includes four elements: salary, working conditions, retirement and possibility of promotion/ salary progression. The factor "collegiality"

includes four components: teamwork, recognition/appreciation, praise and fairness/equality. The factor “working properties” includes six elements: power, clear goals, creativity possibilities, explicit tasks, skills exploitation and decision making. The factor “achievements” includes four elements: the significance/meaning of work, obtaining respect from work, obtaining satisfaction/self-esteem from work and good interpersonal relations. All items were worded neutrally. Employees were asked to respond firstly whether they feel that all of these factors exist in their work and secondly whether these factors motivate them in their work. Responses were provided on a five-point unipolar scale, where 1 represented “not at all”, 2 : “little”, 3: “moderate”, 4: “very” and 5: “absolutely”. The third part contains demographic data concerning age, gender, education, position in service and years of experience. The first part of the questionnaire in diagnosing organizational culture is published with the necessary reliability measurement (Cameron & Quinn, 2006) and the same applies to the second part related to motivation (Paleologou et al, 2006) which has been used in other similar research (Grammatikopoulos et al, 2012).

We have chosen as data analysis technique the statistical processing of the data with the analysis tool SPSS V17.0 because of the greater facility that it provides in exporting results in a fast and reliable manner. The statistical analysis calculated the averages and standard deviations of all variables, to allow the diagnosis of organizational culture of the organization and also the desired organizational culture on the part of employees and the diagnosis of the degree of motivation of employees and their importance in motivating them. Therefore, we have used descriptive statistic methods that deal with the data organization, collection and presentation. Then an attempt was made to correlate the organizational culture type of the organization with the degree of employee motivation.

#### **4. Research Results**

Examining the answers given by the sample it is clear that the dominant type of culture in the municipal services of the City of Zografou is Hierarchy culture type (41.85/100 points on average) followed by the Clan culture type (27.75/100). More specifically, respondents argue that regarding the main characteristics of the organization, mainly prevail regulations, standardized and bureaucratic procedures (43.89 points) while they attribute 28.69 points to warm and human working environment. As far as the organization's leadership is concerned they consider that the head of the organization is an expert in organizing and coordinating work processes and is mostly interested in employee performance (30.08 points) and also they find that he behaves as a consultant and a father (29.27 points). Moreover, with 42.92 points they argue that the elements that unite employees are firstly typical procedures, rules and politics and secondly cohesion and teamwork (28.48 points). Also, the climate of the organization is dominated by stability and permanency of conditions (41.59 points) and then by friendly relations and a high degree of mutual trust (27.75 points). The success criteria consist of high performance, low operating costs and customer service reliability (43.33 points) followed by the development of human resources, interest in people and team work (27.94 points). Finally, the management style is firstly characterized by stability, permanency and predictability (58.63 points) and secondly by team work, mutual agreement and participation (20.34 points).

However, it is worth noting that the responses given concerning the desired organizational culture type, the average of the points assigned to individual characteristics but also the answers’ general average show that they are not satisfied with the dominant culture type of their organization. Their preference primarily to a Clan

culture type (37.30/100 points) and next to an Adhocracy culture type (26.92/100 units) is clear while only 19.27/100 points were attributed to the dominant culture type of their organization, the Hierarchy culture type. In addition, regarding the diagnosis of the degree of employee motivation and the importance they attach to specific motivational factors, the results clearly show that the degree of employee motivation is low, since in the five-point scale (1 = Not at all, 2 = Little 3 = Moderate, 4 = Very, 5 = Absolutely) the average per motivation factor group ranges between 2.06 and 2.875, i.e. "little" to slightly below "moderate." The low degree of employee motivation is confirmed by the average of the analytical responses of respondents which is 2.569, i.e. again between "little" and "Moderate."

On the other hand, results in the question of how important are the same factors in motivating employees show an increased importance on the same scale as the average per motivation factor group range from 3.04 to 3.95 i.e. "moderate" to "Very ". This is confirmed by the average of the analytical responses of respondents which is 3.582, again between "moderate" and "very."

Furthermore, our effort focuses on diagnosing a possible association between the type of organizational culture and the degree of motivation of employees. The processing of data leads to the following results: there seems to be an inverse correlation between the degree of motivation and the Hierarchy culture type which is dominant in the organization and there seems to be a positive correlation between the degree of employee motivation and the Clan culture type which is immediately next within the organization, while under the answers of respondents, as we have already seen, it is the most desirable culture type. Additionally, a negative correlation emerges concerning motivation and the other two types of organizational culture, that is the Adhocracy culture type and the Market culture type (see Tables 1,2,3 and 4)

**Table 1 Correlation between Clan Culture type and motivation**

Correlations			
		Motivation	Clan
Motivation	Pearson Correlation	1	,434**
	Sig. (2-tailed)		,002
	N	50	50
Clan	Pearson Correlation	,434**	1
	Sig. (2-tailed)	,002	
	N	50	50

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Table 2 Correlation between Adhocracy Culture Type and Motivation**

Correlations			
		Adhocracy	Motivation
Adhocracy	Pearson Correlation	1	-,073
	Sig. (2-tailed)		,615
	N	50	50

Motivation	Pearson Correlation	-,073	1
	Sig. (2-tailed)	,615	
	N	50	50

**Table 3 Correlation between Hierarchy Culture Type and Motivation**

Correlations			
		Motivation	Hierarchy
Motivation	Pearson Correlation	1	-,341*
	Sig. (2-tailed)		,015
	N	50	50
Hierarchy	Pearson Correlation	-,341*	1
	Sig. (2-tailed)	,015	
	N	50	50

\*. Correlation is significant at the 0.05 level (2-tailed).

**Table 4 Correlation between Market Culture Type and Motivation**

Correlations			
		Motivation	Market
Motivation	Pearson Correlation	1	-,228
	Sig. (2-tailed)		,111
	N	50	50
Market	Pearson Correlation	-,228	1
	Sig. (2-tailed)	,111	
	N	50	50

At the same time it is worth noting that in an attempt to correlate employee motivating factors with each type of culture there seems to be a negative correlation between Hierarchy culture type and the motivation factors "collegiality" and "achievements" while on the other hand there is a positive correlation of Clan culture with the same motivation factors. Moreover, the Clan culture type is positively correlated with the factors "rewards" and "working properties" while the Hierarchy culture type is inversely correlated with the same factors. The Adhocracy culture type is positively correlated with the factors "rewards" and "achievements" and negatively with factors "collegiality" and "working properties". Finally the Market culture type is positively correlated only with the factor "rewards" and negatively with the other three factors (see table 5)

**Table 5 Correlations between organizational culture types and motivation factors**

		Correlations							
		Clan	Hierar- -chy	Rewards	Work. Characteristics	Collegia -lity	Accomplish -ment	Adhocra- cy	Market
Clan	Pearson Correlation	1	-,757**	,177	,245	,590**	,416**	-,121	-,627**
	Sig. (2-tailed)		,000	,218	,086	,000	,003	,403	,000
	N	50	50	50	50	50	50	50	50
Hierarchy	Pearson Correlation	-,757*	1	-,193	-,147	-,417**	-,380**	-,339*	,087
	Sig. (2-tailed)	,000		,179	,309	,003	,006	,016	,549
	N	50	50	50	50	50	50	50	50
Adhocra- cy	Pearson Correlation	-,121	-,339*	,059	-,130	-,177	,037	1	,111
	Sig. (2-tailed)	,403	,016	,682	,368	,220	,800		,442
	N	50	50	50	50	50	50	50	50
Market	Pearson Correlation	-,627*	,087	-,058	-,151	-,340*	-,199	,111	1
	Sig. (2-tailed)	,000	,549	,689	,294	,016	,165	,442	
	N	50	50	50	50	50	50	50	50

## 5. Discussion Conclusions and Implications

Given the results of the research it would be very useful to comment on the organizational culture and employee motivation of the employees of the City of Zografou and make the appropriate recommendations aiming at improving the degree of employee motivation.

The survey results show that employees evaluate as low the opportunity to participate in decision making (mean 2.74, "Little" to "Moderate") and evaluate with 3.68 ("Moderate" to "Very") their motivation degree if they are given the opportunity to take initiatives or to participate in decision making. These two factors are categorized as "working properties" which are negatively correlated with the dominant culture type of hierarchy and positively with the desirable, from the employee perspective, Clan culture type. It is worth noting that the ability to develop independent thought, expression and action within the working environment is one of the major motivating factors. Hence, the involvement of employees in decision making is very



important. Decisions can be taken as a rule of political actors or executives of service. However, the way of their implementation is left to the strains of lower activity levels. In this context, a first tool to motivate employees is to strengthen autonomous action through their ability to take initiatives and uninhibited expression of proposals that allow the cultivation of creativity, further removing the risk of reduced productivity due to the daily routine. Developing a Clan culture type would favor such an effort since its main characteristics are that it cares for its employees and their personal development, it focuses on the inside allowing free expression of officials and important features are friendliness, mutual trust, support and concern for colleagues, informal communication, team cohesion, staff loyalty and commitment.

In this direction, improvements can be made to the job content. Clearly, in the public sector, the duties of an employee are clearly identified through job description leaving little room for change. However, it is known that systems characterized by centralization, standardization and rigid hierarchy shrink the skills of self-direction thus undermining the sense of self-esteem. Conversely, less stringent structure systems, without stereotypes, enabling more effective employee participation in the final result favor higher levels of self-esteem because they recognize the human potential as a valuable organizational resource and therefore ensure improved efficiency. Thus, it is proposed to enrich the job with different duties and tasks (job enrichment) in order for the employees to use their knowledge and abilities, since the more interesting the content of a job the more motivated an employee (Marakas et al, 2013).

Additionally, it is important to create working groups that would jointly undertake complete projects. This will contribute greatly to the strengthening of partnerships and team work which are among the main factors motivating employees according to our research (mean 4, "Very"). Besides the group of motivation factors 'collegiality' has a high degree of motivation and a positive correlation with the Clan culture type.

Furthermore, it is proposed that a system of self-assessment of organizational units is introduced. In this way, not only the feedback of employees about their work can be achieved but also the feeling of "Challenge for Success" would be met, which is a key motivation factor if intertwined with the concept of self-realization and leads to job satisfaction, organizational commitment and increased performance. These motivation factors are categorized as "achievements" that are positively correlated with a Clan Culture type. Central role here will be played by setting measurable and feasible goals that will allow the evaluation of actions. In this case, the desired objectives will be determined by individual working groups in order for their members to try more in a context of competition.

Finally, in the same direction, it is proposed to monitor short-term seminars to develop new skills and new knowledge. This will help improve the substantive merits of the officials, which is particularly important for the subsequent evaluation. That is, training and qualifications - a criterion that takes high marks regarding the motivation of employees - will help maintain the competitive advantage of employees, especially if we consider that the prospect of promotion is one of the most powerful triggers of employees.

## **Conclusion**

The main conclusion of this study is that the organizational culture that is adopted by a public organization is an important factor in shaping the level of employee motivation. The research we conducted shows that there is a negative correlation between the level of employee motivation and Hierarchy culture type which is characterized by stability, regulations, predictability and hierarchy, heavily distinguishing features in the

Greek public sector. It would therefore be in the right direction a change of the dominant organizational culture of the public sector so as to create suitable motivation conditions that will enable public organizations, in conditions of economic scarcity, to make the most of the valuable resource available, its workforce.

## Acknowledgments

The authors would like to thank all the employees of Municipality of Zografou who were kind enough to fill in the necessary questionnaires in order to conduct my research.

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