The 2nd International Conference on Integrated Information

Culture Changing: a Development and Empirical Exploration in the Greek Tax Administration

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Abstract

The purpose of this study is to empirically explore for developing a cultural change intervention for an Empowered Organization Audit in Greek Tax Administration. By using modern theoretical and empirical approaches we examine the Empowering Organization Audit as directly affected by the prevailing management culture. This paper surveys issues related to Empowerment functions, by the following best practices to develop the full employee potential to their employees. Organizational Culture, Clear Vision, Wording the Values, Teamwork, Role of Management-Leadership, Transition the Power and Responsibility, Sharing information, Continuing Education and Training, Rewards Systems, Setting objectives. The findings of this study offer methods and procedures that can contribute a basis line for developing a culture change intervention for Empowering Organization Audit in the Greek Tax Administration and aims to changing employee's behavior.

1. Introduction

Today, public agencies should not focus their attention only on economic criteria but a appropriate governance model that tends to implement but also to empower the human resources as a source of motivation and to coordinate activities of employees. The main aim of this study, is to understand the ways of thinking and acting of human resources and how these shape and changing the organizational culture. During the last years, such strategic issues have been explored with the aid of computational methods and techniques [1 – 15].

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The empowered organizational culture includes shared beliefs, according to the organization and functioning of the public body, to ensure not only the survival and progress on continuous improvement and achievement of objectives. The new organizational culture involves a dynamic which adds a vitality to those who are called to serve, namely the employees and officers and are empowered to organizational culture, which together with empowered management, I believe that function as uniform concepts in public service organization and administration. The organizational culture is a collective phenomenon surrounds us all shared with people who live in the same working environment. Comes from the interaction between individuals of the organization and between them and the external environment. The empowered organizational culture affects the effectiveness of the organization because they may give it a competitive advantage, improve the way in which the organizational structure and function may increase the motivation of employees to meet the interests of the public administration. The finding of a positive correlation between leadership, in Empowerment, in job satisfaction, and customer satisfaction in organizations that have adopted the Total Quality Management, help create and strengthen an organizational culture that emphasizes total quality and customer satisfaction as define Ugboro & Obeng (2000) [16]. The empowered behavior and a general character of the leaders is the most important factor affecting the climate of the culture. "The core of matter is always about changing the behavior of people. In highly successful efforts the central challenge is not strategy, not systems but changing people's behavior - what people do and the need for significant shifts in what people do" Kotter P. J. & Cohen S. D. (2002),[17]. From researches   the role of Empowerment of employees, the training and   assignments of responsibilities and roles in order to develop a system that will facilitate the creation of an environment oriented to enhance the performance of the organization through continuous improvement of services as defined Ashill et al. (2005) [18]. The concept of Empowerment could be defined as a process and as a result. As a process, the Empowerment is a combination of actions that transition decisions, the power and responsibility from managers to employees, so to achieve the highest possible performance, combined with the highest satisfaction from the work. As a result, the Empowerment is how we feel and behave workers. The Manager's Empowerment Functions that were considered were the Informational Role, the Decision-Making Role, the Planning Role, the Evaluating Role, the Motivating Role and the Developing Role. Others investigators Kirkman & Rosen (1996),[19]. The Empowerment of human resources is not an unknown issue or insufficient as defined by Konczak & Trusty (1996) [20], Zimmerman & et al. (1992) [21]. However in Greek there have not been investigations in the Public Sector.

2. Methodology

   The method of selection of the sample was designed to meet the requirements of the investigation. So the sample was chosen to be from their Manager's of Tax Administration in Ministry of Finance in Greece. We investigate the Manager's Functions to describe the Organization's Culture. The questionnaire who has been described by investigators Vogt et al. (1990) [22], consisted of 30 questions in which were combined theoretical models and the dimensions of Empowered Functions, as was documented in previous research and was demonstrated by the recorded incidents of Manager's Functions in Greece. Special effort was made to respondents to express their views freely. So, strictly was respected the anonymity of respondents. Data were collected from 30 interviews, carried out during the months of January and February 2012 in Athens.

3. Results

    The answers to the questionnaire divided into categories of Empowerment functions, were as follows**:**

3.1. Empowerment functions

According to the data derived from the contributors of our survey the Empowerment functions in tax administration are the following, while the frequency of answers in the field of Empowerment functions is shown in Figure 1:
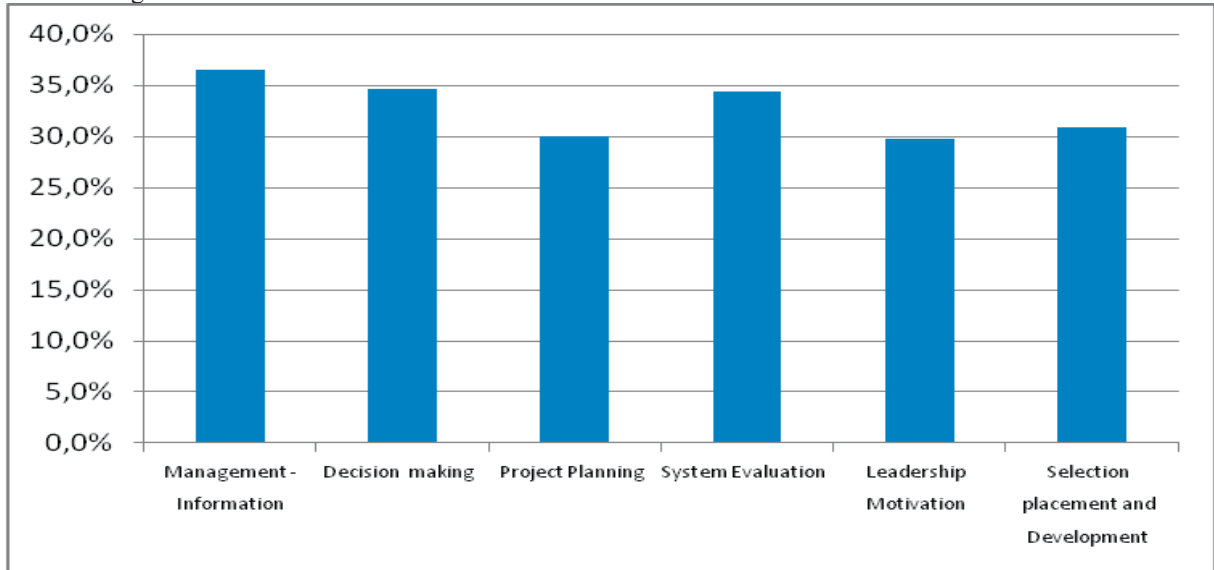
3.1.1. Management-Information

This result can be attributed mainly to the causes that during the administration of communication with subordinates usually provide only the necessary information so that there is proper coordination actions, and wasting time, decisions are quick and usually do not have adequate support from the staff, project execution instructions are mostly without a single programming without allowing the staff to know what is required from the outset, resulting in lost time, there is no timely result, lose their morale and most employees can not receive satisfaction from self - evaluation.

3.1.2. Communication System Skills

This result can be attributed to causes such as: there is not much effort to work of non-problematic and obedient servants, applied the wrong principle that individual effort and better results is that the power of the group to decide and act in concert prevail. Such was the organization of the work usually seems that there was cooperation in groups and therefore no one knew each other's contribution to the service. Mainly applied the principle of punishment depending on the offense, not to discuss the problem and explore lasting solutions.

3.1.3. Planning Organizing and System Integration Skills

From these results it was found in particular that there was not enough information diffusion, thereby not being able to help each other. There is good cooperation between officials in the execution of the work, so you can share the success, but take work and perform on their own. When the manager plan an organization does not always encourage the transfer of power and authority to the fullest in order to maximize the skills of workers, but there is centralization and employees do not participate in management decisions. The manager does not function as leaders, to inspire others, be an example and work colleagues with them. Because as we all know "the manager make things right while the Leader doing the right things". When an employee is not

performing well on a task, the more heads before replacing the completed work, without trying to determine what needs to be done its job effectively.

3.1.4. Decision Making and Action Taking Skills

From these results, it is found primarily that the communication with the staff is attentive boss for fear that it may give the wrong impression, so do not say his opinion on an important issue. The motivation of his superiors, is mainly individual and must be done at a group level, because the teams are more powerful and can achieve more. In the evaluation phase existing in most cases not notified the evaluation sheet, so that they can respond but it is forwarded to the personnel department. Instead of investigating the nature and the environment in which they performed better, reward or punish as they believe. Bosses do not believe that employees through collaboration, continuous improvement and self-assessment can achieve more. Think especially in a series of cases in terms of human nature where McGregor, D. (1960)[23], calls the "theory x" and therefore most, believe that there are many employees who have the characteristics of "theory y".

3.1.5. Leadership Motivation and Reward System Skills

From these results it is found that there is not enough effort so channeled information, be directed where it is needed, to achieve a task. There is not enough collaboration when designing a process to develop a sense of synergy. Usually do not know the existing strengths to yield very well, but neither the weak points that could be improved. Bosses observe that existing attracted more money and higher positions in the service, rather than the satisfaction that comes from the work itself as it would be desirable on the theory Masllow & Herzberg.

3.1.6. Selection Placement and Development of People Skills

From these results it is found that a majority of the decisions taken by the heads individually, exercising Authoritarian style of management rather than Republican leadership styles, leading to the practice of force applied to have poor results as shown. Work organization usually does not explain carefully the procedures or working with stakeholder groups to define the responsibilities of each, but after the job description usually not involved anywhere. When someone does not develop through his work is not helping, but mistakenly believes that since the chief executive does well in his job and goes well with him, there's no future for him.

3.2. The process of Empowerment of Human Resources includes Best Practises as:

ε *Organizational culture.* Promotes an organizational climate where enhanced mutual trust and confidence in the abilities that the human resources that are aligned with the objectives and affect the performance of the organization. In an organizational culture where possibilities for human development, recognizing the efforts and a common system of values and beliefs and rules of behaviour that guide their activities and influence strategic decisions, including setting targets. The manpower enjoys his work acquires sense of identity, enhancing loyalty, morale and loyalty and produce the desired results.

ε *Creating a clear vision to the organization*. The senior management should formulate the organization's vision and recognize that we need the resources and creativity of employees to meet the vision. The confidence in the power of employees to enhance the performance of an organization is a prerequisite step for the dissolution of traditional hierarchical culture and control within an organization. The word of the vision of an organization must be communicated to employees. Senior managers have an important role to play: (a) the explanation of the vision and mission of their business and (b) to facilitate their employees to achieve the goals of the organization. Many businesses and organizations have made great effort to create a vision that will help empower officers vision of respect, responsibility and cooperation, focusing on better service to the customer.

E *Wording the Values*. The mission of an organization must also be based on values. The empowerment will only occur when it is strongly linked to the values of the organization. Organizations can help their employees understand the core values through communication and training programs as well as incorporating the basic beliefs in all organizational activities. This can be accomplished, for example, by organizing a series of workshops for all employees, explaining the values of the organization and their impact on how people are managed. The values of the agencies to adopt empowerment include: Promote customer service, communication is bidirectional, teamwork and integrity.

E *Teamwork*. Is an important element in strengthening employees to take on new responsibilities as it creates a supportive environment. Empowered teams are very different participatory groups, quality circles, or semi-autonomous teams. Make decisions, implement them, and take responsibility, not simply proposing new ideas. The roles of teams, involving the decision makers, the allocation of responsibility from management while training for effective teamwork is essential that these groups act with autonomy, to enjoy challenge, and to assume the responsibilities previously held by directors them to effectively implement their work with a sense of "ownership" to feel satisfaction in their work. The teamwork approach also benefits the improvement of processes. Teams can replace hierarchy (organization) if organizations want to take full advantage of the diversity of their members as a benefit for the resolution of complex problems. For development teams, further education, training & support, and managers and employees to overcome obstacles to accountability-control.

E *Role of Management-Leadership*: A fundamental change in the culture of the organization as a result of empowerment is the role that the director should take to facilitate the process. Empowered managers adopt a positive approach to things, develop a different relationship with their colleagues, foster teamwork and encourage them. Additionally the role involves the role of trainer, mentor, leader of the team, the man who provides the education and training that enables colleagues to participate in decision making and delegate authority and responsibility, and gradually reduces its control himself in human resources manager. In addition, the way errors are examining, are a sure indication of the true values of empowerment. The invigorated manager recognizes, rewards and accepts mistakes when made after thought and effort, provides counselling, emotional support, and enhances the confidence of manpower to take risks, learn from your mistakes, to grow and to operate with maximum efficiency.

E *Transition the Power and Responsibility*. This process in necessary so that people are able to exercise proper authority for the execution of their work. Delegation and training - guidance are important aspects of the process of empowerment. In a culture of empowerment the boss, clearly defines the tasks to be delegated, ensure that individuals are competent to undertake the tasks assigned to them and to run them efficiently, enables existing tasks to performed and take appropriate decisions determines how and techniques for monitoring the execution of tasks and the evaluation of results. When delegating tasks the boss, explains in detail the tasks to be delegated, emphasizes the importance for the department and the organization, explains the benefits of the award for the employee, the manager, the team, the department and the organization as a whole, provides support and guidance (advice, information, assistance) for the development of people through increased self-esteem because of the improved performance, not through fear of failure and transfer information, guidance, advice, education and motivation required for the effective tasks.

E *Sharing Information*. Employees need the information to know what they are doing themselves and the company and if their actions affect the performance of the organization. Research has shown that information dissemination is a critical variable in the beginning of the process of empowerment. Without information, the officials can not act responsibly. The dissemination of sensitive information via the bi-directional communication on commercial, operational, financial and strategic issues, contribute to the understanding of the challenges facing the company in terms of suggestions and ideas from employees, active employees with a sense of ownership, and development - building confidence as define Fourtou J. (1997) [24], Mumford E. & Hendricks R.(1996) [25]. For operational success, bidirectional communication is considered as the basic administrative capacity and accountability. The list of administrative

responsibilities for effective communication involves regular meetings with all the people of the organization, ensuring that all stakeholders are informed about the key issues of organization, frank and full communication on all issues that impact on human resources, encouraging members groups to discuss business matters, ensuring that team members provide feedback to the business matters to senior executives that provide timely responses.

E   *Continuing Education and Training*. Businesses and organizations need to adequately train their employees with the aim to improve individual and team performance, enhance the effective execution of their work, to increase the competitiveness of the organization and achieve their business goals. The government usually plays the role of the instructor, identify training needs, shortages of officials must be met through appropriate training programs, conferences, seminars and training workshops. The administration develops knowledge and skills in human resource issues such as technical decision making, conflict management and conflict resolution, leadership, teamwork, continuous improvement of processes. Several organizations provide resources, support and promote continuous learning. Organizations that establish a culture of continuous learning provide the training and reward the use of new skills and knowledge to work. This, in turn, facilitates employees to realize the importance, the value, contribution and impact of acquiring new knowledge and developing new skills and competencies, which they will use in future projects that require more responsibility and initiative and will contribute to successful outcome of their work as define Oakland S. & Oakland J. (2001) [26].

E   *Rewards Systems*. Based on organizational and individual performance, is a key motivation practice regardless of the type of reward (financial, non-financial). The link performance with rewards employees, enhances the sense of recognition and reward for results and their contribution to the objectives of the organization. Moreover, it has been found that providing incentives and recognition contributes decisively to implement the empowerment of groups as define Born L. & Molleman E. (1996) [27], Kirkman, et al. (2000) [28].

E   *Setting Objectives of the Organization*. Effective target setting establishes a cooperation-partnership between the updated employee and manager, and finally between the team members. Research has revealed that most officials familiar with the goals, but few were happy with the existing procedures for setting targets in their businesses. Most employees do not really know how to work together in setting goals really specifying the work and responsibilities. Through the Management by Objectives, (M.B.O.). defining the objectives realized through an interactive process. Top management sets the overall objectives of the organization, but the composition of the individual objectives of each strain is put through a participatory process and can redefine the overall objectives of the organization or its parts. While the process of setting goals starting over, eventually the final objectives formulated with the participation of all levels. In a culture of empowerment objectives are often set as a "continuous improvement targets" rather than "objective end result." Through management goals with better clarify organizational structures, functions and responsibilities, better coordination.

E   *Performance Evaluation*. To help enhance the performance assessment should be restructured as an administrative process, which aims at collaboration and continuous improvement and not just focus on the evaluation of an employee of the Director. Within a strengthened culture of the performance evaluation process includes the step of effective programming performance where managers and employees work together to define the goals, and the manager is committed to the style of leadership that will implement to support their employees, continuous improvement and development human potential and performance review as judged both the capacity of staff, and the leadership provided by the director. In a culture of empowerment in best person to evaluate and improve performance of an employee is the employee himself. The agency must provide the manpower sufficient information to enable it to evaluate its performance responsibly, in order to identify the points is weak or outweighs the size of the contribution, to undertake the appropriate corrective or rewarding initiatives to increase the empowerment human resources as define Randolph A. (1995) [29].

4. Conclusions

It is perhaps important to stress the need to establish regulatory decisions that will reduce and control "Administrative Forms maladministration" that reduce employee morale, in tax administration in Greece and additionally to find out the corrective actions in order to fight it, because the vision of transformation and transformation of the administrative system of the human resource and creates new values for the data leadership of public institutions, where, according to Deming (1986) [30] and Yoshida (1992) [31] lead to the abolition of fear in the workplace, eliminates competition between individuals and groups working in the same organization, with the introduction of mechanisms to enhance cooperation between individuals and groups, the elimination of humiliation that many times there are employees of the leadership in the abolition of motivation to use external incentives to boost confidence - self dignity of employees and the creation of a climate of learning and creativity in the organization. With the existing culture is reduced so painful National Morale, responsibility and authority of the Human Resources Administration, as reported Makridimitris A. (2005, 2008) in several speeches in conferences on Public Administration. It is perhaps important to stress the need to establish regulatory decisions that will reduce and will control the bad administrative behaviour that reduce employee morale, because the vision of transformation about culture change and empowerment the human resource creates new values for the leadership in their public organizations , where, according to Deming E. (1986) [30] and Yoshida K. (1992) [31], leading to the abolition of fear in the workplace, eliminates competition between individuals and groups working in the same organization, with the introduction of mechanisms to enhance cooperation between individuals and groups, boost confidence - self dignity of employees and the creation of a climate of learning and creativity in the public organization. After all, while the administrative deficit in Greece has probably been frozen because of the culture and the corresponding deficit while the country is one step away from bankruptcy, recently under the supervision of the Troika and financing of International Monetary Fund and European Central Bank. Finally enterprise culture can only be achieved through Knowledge and Iron Will. In each case, a move forward on this issue requires more detailed empirical research in the Public Sector.

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