COMPARATIVE EVALUATION OF CULTURAL DIFFERENCE IN PRIVATE AND PUBLIC BANKS OF ILAM PROVINCE USING KLUCKHOHN AND STRODTBECK DIMENSIONS

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ABSTRACT
In this study various dimensions of kluckhohn and strodtbeck’s cultural model including the relationship with nature, time orientation, the nature of people, activity orientation, duty orientation and space concept were investigated and compared in two public and private banks in Ilam province. Concerning the goal, the investigation is applied study and concerning the methodology, it is a survey-descriptive investigation. Data were collected via field and library methods and the tool of data gathering was a questionnaire based on Likert scale whose validity was confirmed by experienced professors. The 29-item questionnaire had acceptable reliability in bank Melli as a public bank (Cronbach’s alpha = 0.81) and bank Ghavvamin as a private bank (cronbach’s alpha= 0.83). Statistical population of Melli bank and Ghavvamin bank included 200 and 75 persons, respectively. Using Morgan table sample size of both banks was determined as 75 persons. Stratified randomized sampling was performed in Melli bank and census was conducted in ghavvamin bank. The result of the present study was significance of all hypotheses which showed cultural difference in these two banks (p<0.05).

Keywords: Cultural Difference, Kluckhohn and Strodtbeck Dimensions, Private and Public Banks

INTRODUCTION
Human is an entity with different personalities and abilities and it is because of this variable nature that environmental factors have unpredictable consequences on his mental and physical motivations and behaviors. However some studies have predicted human behavior in certain environment and defined the expected results based on their findings. In this regard, a major parameter is organizational culture which defines the people nature, values and believes in an organizational medium (Mirfakhreddini et al., ). Organizational culture presents a collection of values, believes, basic assumptions, expectations and norms by which the employees think, make decisions and act (Shahreh, 2013).An important factor studied in many investigations is organizational culture because it influences all organizational aspects and empowers the organization via shared values and believes and affects individual behavior vision, motivation, job satisfaction and commitment of human force, structure design and organizational systems, goal defining, setting and executing the policies, strategies and so on (Daneshfard and Shahabinia, 2010). Every organization has a special culture which forms the working behavior of the organization. Organizations should have a culture in proportion to their goals, technology, performance magnitude and other variables if they want to reach an acceptable level of productivity (Yazdkhasti et al., 2009). The main factor resulting in self-controlling, innovation and creativity in an organization is the culture dominating that organization. The root of success and failure should be sought in organizational culture (Ahghar, 2007).

Problem Statement
Investigations show that the effect of organizational culture on organization improvement is higher than that of environmental factors. If managers’ attempts are not accompanied with the support of organizational culture, the result is usually a failure (Nasiripour et al., 2008). In parallel with global movements, significant changes have occurred in employees of firms and organizations and all companies seek for the most effective way for integrating labor force according to organizational structure and predefined goals (Makraiova et al., 2014). Many investigations have been carried out in Iran on the
subject of organizational culture and different models have been implemented including Queen Model, Letvin model, Hofsted model and Denissen model. These investigations have indicated that productive organizations are often integrated and stable with coordinated and consistent organizational activities. These organizations are characterized by strong culture and penetration in their employees’ behavior. Kluckhohn and strodtbeck’s investigation is another model which evaluates the rate of cultural difference. Since the model has not been implemented in Iran in the context of a field study, the goal of the present study was to evaluate the six dimensions of kluckhohn and strodtbeck’s model including the relationship with nature, time orientation, activity orientation, duty orientation, the concept of space and people nature to compare the rate of cultural difference in public and private banks. Once it was believed that organizational culture can be easily changed in to a concept but the concept was then challenged in parallel with globalization. Organizational culture is a multi-dimensional concept of shared believes, philosophy, values, costumes, etc. During cultural movement, divergence and convergence were incorporated in organizational culture definitions and understanding cultural elements is effective for divergent management-oriented managers (Maxel, 2013). Many authors have argued that human force systems of business approaches are probably influenced by the cultural context in which they act. High rate of cultural variation within an organization results in inefficiency of implementing evaluation systems (Biljana and Nebojsa, 2009).

Theoretical Principles and Literature Review

During the recent thirty years, the world has experienced the reviving of scholars’ attention to nature and influence of organizational culture in relation to modern works and organizations. While systematic attempts for organizations’ understanding about cultural dimension were first conducted in early 1930s, the investigations in this field was revived in late 1960s and became a part of organizational studies and income management; it was in this era that the organization of American and British authors attracted the attention of global prominent scientists to the principles and form of organizational cultures (Ardalan et al., 2008).

Organizational culture has been defined by various expressions and interpretations creating a great debate among the scholars of management and organization science on the role of organizational culture. Organizational culture is indeed a social tag joining organization members together via shared values, symbolic approaches and social ideals (Feghhi, 2009).

Organizational culture can’t be defined in any certain context meaning that there is no consensus definition for this concept. One of these definitions is: organizational culture is a collection of values, believes, understanding and thinking pattern which is common among the members of the organization (Mirfakhreddini et al.,).

Well Known Dimensions of Kluckhohn and Strodtbeck’s Cultural Difference Model

The relation with nature (environment): Is a person influenced by the environment and in accordance with it or he can dominate the environment? For example, the people of Middle East countries believe that the life events are predefined. In such societies assigning goals for organization is not so important. In contrast, Americans believe that nature can be dominated; so organizational goals are exactly determined. Time orientation: is culture of the country concerned with past, present and future? Awareness about the vulture and society vision about time makes us to pay attention to time interval based on whether the plan is short term long term, etc.

Does the country culture view the human as a good entity, a bad one or a combination of these two? The culture vision about the nature of a person can influence the leadership method of the managers. For example, dictatorship is implemented in countries where there is a negative view on people. In contrast, shared leadership method is applied in countries where there is a positive vision about human. Activity Orientation

In some cultures, work or act is under attention. In some countries real time life or transient luxuries are accentuated and in other ones, self-control is emphasized. Knowing cultural variation can create a deep vision about the way of spending time during free times and reveals that how the people in these societies make decision and what indices and criteria are adopted by them for rewarding.
Responsibility Orientation

Societies and cultures can be categorized based on attention to others’ welfare and determination of responsibilities. Some cultures such as American culture are individual oriented and some others like Malaysia pay much attention to groups. This dimension of culture has many applications in job planning, decision making method, communication, determining awarding system and selection pattern in organization.

Space Concept

The last dimension in kluckhohn and strodtbeck’s cultural model is space ownership. In some cultures, the work is carried out in open and general environment; for example in Japan, managers and employees work within the same room without any wall or separate table. In other cultures, working affairs are more private; for instance in United States, large and general offices indicates official position. Other cultures lie between these two extremes. These differences are so important during job planning and creating communication networks. In all dimensions of kluckhohn and strodtbeck’s cultural model, some persons fall in the middle of the scale (Robbins, 2014).

There has been no investigation in Iran concerning cultural variation based on kluckhohn and strodtbeck’s model and Denisson model has been often implemented; and in foreign articles Hofsted model has been often used.

An investigation was conducted by Monavvarian and Bakhtayi (2006).entitled identification of organizational culture based on Denissen model in industrial management organization to compare the four dimensions of this model in working sections and their prioritization and identification of employee’s cognition and expectance. The results showed that the organization was in the median or high position concerning all the four dimensions; however some indices including coordination, consistency and targets require more improvement.

Agnan and Lian (2011) conducted an investigation entitled a framework for culture management in chine-Africa international building projects and the results indicates that cultural differences among the contractors is a main reason for delay in international building projects. There has been little attention to culture management and its influence on the projects. Chinese culture is very special and African culture – due to colonialism factor- is unique. Therefore, the authors encountered much difficulty due to severe cultural differences.

Results of the investigation conducted by xiacjuanwa (2012) entitled the effects of avoiding the organizational culture and ambiguity on innovation in management using Hofsted model showed that avoiding uncertainty can’t directly influence management innovation but can directly exerts its effects through organizational culture. Moreover, external adaptation and integration of organizational culture play key role in avoiding ambiguity and innovation in management.

Shilpa (2012) conducted carried out an investigation in an Indian organization to evaluate various dimensions of culture, cultural variation and implications of cultural variation in organization and to identify various cultural effects in the organization using Hofsted and other models such Trumpenar and found out that by increase in cultural difference of employees, cultural variation management gets closer to critical point. Under this condition, constant models based on improvement of cultural dimensions and exploiting cultural variation can help the managers.

In a study entitled as individual, organization and proportion between organizational culture and individual values as a predictor for job satisfaction and organizational commitment, Cresia (2010) found that severity of organizational culture variation creates changes according to individual competence in guaranteeing organizational achievement.

In an investigation conducted to compare the cultural properties in up- and down-town hospitals in providing medical services in Britain, Menenin et al., (2005) found out that the service providing in the two hospitals is different and this is due to different cultural properties among the employees of the two regions.

In an article entitled educational strategies for cultural improvement, Claudia (2013) tried to answer the question that if cultural variation is a weak or strength point and if it gives a superior position to the
organization. Results showed that according to inevitable nature of globalization and cultural variation, its effects on people should be considered and if it is regarded from a challenge dimension it requires simultaneous understanding and respecting to cultural differences in relation to opportunities.

**Theoretical Framework**

Kluckhohn and strodtbeck well known dimensions

<table>
<thead>
<tr>
<th>Relation with environment</th>
<th>Time orientation</th>
<th>Activity orientation</th>
<th>Responsibility orientation</th>
<th>Space concept</th>
<th>People nature</th>
</tr>
</thead>
<tbody>
<tr>
<td>culture</td>
<td>Long term</td>
<td>Work orientation</td>
<td>Life and present time</td>
<td>Work in</td>
<td>Human</td>
</tr>
<tr>
<td>Entity</td>
<td>Short term</td>
<td></td>
<td>Activity orientation</td>
<td>Work in</td>
<td>Human</td>
</tr>
<tr>
<td>Nature</td>
<td>Space concept</td>
<td></td>
<td>Responsibility orientation</td>
<td>Work in</td>
<td>Human</td>
</tr>
<tr>
<td>Nature</td>
<td>People</td>
<td></td>
<td>Group is responsible for</td>
<td>Work in</td>
<td>Human</td>
</tr>
<tr>
<td>People</td>
<td></td>
<td></td>
<td>Environment</td>
<td>General</td>
<td>Human</td>
</tr>
<tr>
<td>People</td>
<td></td>
<td></td>
<td>Group is responsible for</td>
<td>Natural</td>
<td>Human</td>
</tr>
<tr>
<td>People</td>
<td></td>
<td></td>
<td>Environment</td>
<td>Y good</td>
<td>Human</td>
</tr>
<tr>
<td>People</td>
<td></td>
<td></td>
<td>Group is responsible for</td>
<td>Y bad</td>
<td>Human</td>
</tr>
</tbody>
</table>

Conceptual model of the investigation

**Hypotheses of the Investigation**

Main hypothesis: There is significant difference between Ilam private and public banks concerning cultural difference.

**Sub Hypotheses**

1- There is significant difference between the private and public banks of Ilam province concerning the relationship between people and environment (nature).
2- There is significant difference between the private and public banks of Ilam province concerning space orientation.
3- There is significant difference between the private and public banks of Ilam province concerning the activity orientation.
4- There is significant difference between the private and public banks of Ilam province concerning responsibility orientation.
5- There is significant difference between the private and public banks of Ilam province concerning space concept.
6- There is significant difference between the private and public banks of Ilam province concerning people nature.

**MATERIALS AND METHODS**

**Methodology**

Concerning the goal the present study is an applied investigation and concerning the methodology, it is a descriptive-analytical study. Data collection tool was author-made questionnaire with Likert scale. Validity of the questionnaire was evaluated by experienced professors. Reliability: Cronbach’s alpha coefficients of the questionnaire including 29 items in Melli and Ghavvamin banks were 0.81 and 0.83, respectively indicating the good reliability of the questionnaire.

Statistical population and sample size: population includes all employees of IlamMelli bank as a public bank including 200 persons and all the employees of Ghavvamin bank in Ilam province as a private bank including 75 persons. Sample size was calculated as 75 persons for public bank and the same number for the private bank using Morgan table. Stratified randomized sampling was used in the public bank and census was performed in the private bank.

**RESULTS AND DISCUSSION**

**Data Analysis**

Describing demographic properties of investigation population

The studied sample includes two 75-person groups of Melli bank and Ghavvamin bank. In Melli bank, 91.2% were male and 8% were female, while in Ghavvamin bank 95.6% were male and 4% were female.
Table 1: K-S test for investigating normality of factors ‘Distribution

<table>
<thead>
<tr>
<th>Row</th>
<th>Factor</th>
<th>Mellibank</th>
<th>Ghavvaminbank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Relation with environment</td>
<td>0.999</td>
<td>1.069</td>
</tr>
<tr>
<td>2</td>
<td>Time orientation</td>
<td>0.860</td>
<td>0.786</td>
</tr>
<tr>
<td>3</td>
<td>Activity orientation</td>
<td>1.112</td>
<td>0.609</td>
</tr>
<tr>
<td>4</td>
<td>Responsibility orientation</td>
<td>1.478</td>
<td>1.970</td>
</tr>
<tr>
<td>5</td>
<td>Space orientation</td>
<td>0.874</td>
<td>1.436</td>
</tr>
<tr>
<td>6</td>
<td>People nature</td>
<td>1.017</td>
<td>1.077</td>
</tr>
</tbody>
</table>

According to the results of K-S test, the factors who are P-values were lower than 0.05 are abnormal and those with higher values are normal. So in questionnaire of Ghavvamin bank factors 1, 2, 3 and 6 have normal and factors 4 and 4 have abnormal distribution. Moreover in Melli bank, factors 1, 2, 3, 5 and 6 have normal distribution and factor 5 has abnormal distribution. Therefore, for hypotheses testing , in addition to mean descriptive statistics, t-test was used for normal factors and ratio test was used for abnormal factors.

Table 2: t-test for investigating abnormal factors

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Factor</th>
<th>Mellibank</th>
<th>Ghavvaminbank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Relation with nature</td>
<td>0.4365-0.2253</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>Time orientation</td>
<td>0.4875-0.7576</td>
<td>0.000</td>
</tr>
<tr>
<td>3</td>
<td>Activity orientation</td>
<td>0.0149-0.4086</td>
<td>0.035</td>
</tr>
<tr>
<td>4</td>
<td>Space orientation</td>
<td>0.2411-0.6192</td>
<td>0.000</td>
</tr>
<tr>
<td>5</td>
<td>People nature</td>
<td>0.4365-0.7400</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Table 3: Ratio test for evaluating abnormal factors

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Factor</th>
<th>Test ratio 60% Melli bank</th>
<th>Ghavvamin bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Responsible orientation</td>
<td>0.30.000</td>
<td>0.10.000</td>
</tr>
<tr>
<td>5</td>
<td>Space orientation</td>
<td>***</td>
<td>***</td>
</tr>
</tbody>
</table>
Based on the results of t-test and ratio test it can be concluded that all hypotheses investigated in Melli bank and Ghavvamin bank are significant (p<0.05).

Table 4: Evaluation of descriptive statistics of the mean

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Factor</th>
<th>Melli bank Standard deviation</th>
<th>Mean</th>
<th>Ghavvamin bank Standard deviation</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Relationship with nature</td>
<td>0.43623</td>
<td>2.6691</td>
<td>0.43443</td>
<td>2.7230</td>
</tr>
<tr>
<td>2</td>
<td>Time orientation</td>
<td>0.55808</td>
<td>3.6225</td>
<td>0.48835</td>
<td>3.8603</td>
</tr>
<tr>
<td>3</td>
<td>Activity orientation</td>
<td>0.81324</td>
<td>3.2118</td>
<td>0.86922</td>
<td>3.4706</td>
</tr>
<tr>
<td>4</td>
<td>Duty orientation</td>
<td>0.38205</td>
<td>3.3529</td>
<td>0.40632</td>
<td>3.5037</td>
</tr>
<tr>
<td>5</td>
<td>Space orientation</td>
<td>0.78089</td>
<td>3.4301</td>
<td>0.97761</td>
<td>3.4632</td>
</tr>
<tr>
<td>6</td>
<td>People nature</td>
<td>0.62707</td>
<td>3.5882</td>
<td>0.65397</td>
<td>3.8971</td>
</tr>
</tbody>
</table>

Concerning the first hypothesis, it was revealed that the employees of Melli bank and Ghavvamin bank believe that environment is more influencing on fate than human. According to table 4, cultural difference concerning the relationship between people and environment is similar in Melli bank (mean of 2.6691) and Ghavvamin bank (mean of 2.7230).

Considering the second hypothesis, the employees of both banks usually have long term vision; therefore, cultural difference regarding time orientation is similar in Melli bank (mean of 3.6225) and Ghavvamin bank (mean of 3.8603) with a slightly higher value in Melli bank. Regarding the third hypothesis, the employees of both banks pay more attention to their activity than present time. Cultural difference regarding activity orientation is similar in Melli bank (mean of 3.2118) and Ghavvamin bank (mean of 3.4706) with a slightly higher value in Ghavvamin bank.

Concerning the fourth hypothesis, the employees of Melli bank and Ghavvamin bank know themselves responsible for their own works and rarely believe that the group is responsible for employees’ work. Cultural difference regarding responsibility orientation is similar in Melli bank (mean of 3.5037) and Ghavvamin bank (3.3529). With a slight difference, the parameter is higher in Melli bank compared to Ghavvamin bank.

Regarding the fifth hypothesis, the employees of Melli bank and Ghavvamin bank are eager to work in general environments. Cultural difference regarding the type of working space is similar in Melli bank (mean of 3.4301) and Ghavvamin bank (mean of 3.4632).

Concerning the sixth hypothesis, employees of Melli bank and Ghavvamin bank believe that human being is naturally good. Cultural difference regarding people nature between employees of Melli bank (mean of 3.5882) and those of Ghavvamin bank (mean of 3.8971) is relatively similar. Considering the fact that people nature is good the mean of Ghavvamin bank’s employees is higher than that of employees of Melli bank.

**Conclusion**

The results of this investigation revealed that all the hypotheses were significant in Melli bank and Ghavvamin bank. With a little difference in both banks, the employees consider the environment to be more influencing than them. The employees of both banks usually have long term vision and the long term vision component in Melli bank is more obvious compared to employees of Ghavvamin bank.

In both banks, activity orientation is stronger than real time life orientation. Activity orientation in Ghavvamin bank is slightly more significant than Melli bank. In both banks, the employees know themselves responsible for the work; the property is more considerable in Melli bank. Despite the slight difference, the employees in both banks are eager to work in general environment. The employees of both banks believe that the people around them are good in nature; the vision is more obvious in ghavvamin bank.
As a conclusion, with a slight difference, people in both banks believe that environment can influence their fate. They have a long term vision, are activity-oriented and know themselves responsible for their own works. They are eager to work in general working environment and they have good attitude about the people around them.

**Limitations and Recommendations**

Since culture is a factor which influences all dimensions of organization and efficient management of each organization requires understanding its culture and the rate of culture integrity among the employees, so it is recommended that the present investigation be used by other private and public organizations to consider dimensions of cultural differences in planning and policy making and management of such organizations. The most notable limitation of this investigation is that it was conducted for the first time in Iran and similar cases implementing kluckhohn and strodtbeck model in foreign countries were not found for comparison. Moreover data were only collected by questionnaire. Inclusion of interviewing in this investigation could have resulted in more accurate data. The investigation was conducted in two banks and if the more banks were investigated, more accurate and more comprehensive information could have been achieved.

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