# Jahja Hamdani Widjaja<sup>1</sup> THE ROLE OF ORGANIZATIONAL CULTURE IN INDONESIAN HIGHER EDUCATION

The article studies the types of organizational cultures available in the university environment. The study has been carried out on the basis of Maranatha Christian University (Bandung, Indonesia). Empirical evidence was gathered through the survey and focus group discussions with the deands of faculties and also with other faculty members. Differences in organizantional cultures choice are explained in detail. Recommendations are provided regarding organizational cultures' shifts and changes in terms of strategic changes and stretegic development overall.

**Keywords:** organizational change; organizational culture; university; higher education. **Peer-reviewed, approved and placed:** 21.12.2016.

### Джайя Хамдані Віджайя РОЛЬ ОРГАНІЗАЦІЙНОЇ КУЛЬТУРИ В СИСТЕМІ ВИЩОЇ ОСВІТИ ІНДОНЕЗІЇ

У статті досліджено типи організаційної культури в рамках системи вищої освіти. Дослідження проведене на базі Християнського університету Мараната (м. Бандунг, Індонезія). Практичні дані було зібрано шляхом опитування, а також бесід у фокус-групах, в яких взяли участь окремо декани факультетів та інші співробітники. Різниці у виборі організаційних культур описано окремо по факультетах в деталях. Надано авторські рекомендації стосовно можливих змін в організаційній культур у випадку стратегічно важливих змін та стратегічного розвитку факультетів в цілому.

**Ключові слова:** організаційні зміни; організаційна культура; університет; вища освіта. **Рис. 1. Табл. 2. Літ. 16.** 

## Джайя Хамдани Виджайя РОЛЬ ОРГАНИЗАЦИОННОЙ КУЛЬТУРЫ В СИСТЕМЕ ВЫСШЕГО ОБРАЗОВАНИЯ ИНДОНЕЗИИ

В статье исследованы типы организационной культуры в рамках системы высшего образования. Исследование проведено на базе Христианского университета Мараната (г. Бандунг, Индонезия). Практические данные были собраны посредством опроса, а также бесед в фокус-группах, в которых приняли участие отдельно деканы факультетов и другие сотрудники. Различия в выборе организационных культур описаны по факультетам в деталях. Представлены авторские рекомендации касательно возможных изменений в организационной культуре в случае стратегически важных изменений и стратегического развития факультетов в целом.

**Ключевые слова:** организационные изменения; организационная культура; университет; высшее образование.

**Introduction.** Every organization, including university, could be seen as an organism that lives and grows in a certain environmental context (Hatch and Cunliffe, 2006). Environment affects growth and decline of organizational performance in two ways (Wheelen and Hunger, 2004). First, environment has the role of a resource supplier needed by organization to run its daily operations. Second, environment has the role as output absorber. Thus, organization should always pay attention to its environment and interact with this environment appropriately (Hambrick, 1983; Lenz dan Engledow, 1986).

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Environment is always complex and dynamic (Wheelen and Hunger, 2004). Complexity and dynamic of environment is seen by key success factors changing in term of contents and magnitude. Moreover, it causes environment uncertainty. Environment uncertainty would necessitate every organization to change or adapt (Hannan and Freeman, 1977; Lawrence and Dyer, 1983).

Change is an important issue that often fails in implementation (Kasali, 2007; Lick, 2006). Organization needs to develop a suitable organizational culture to encourage change process (Philip and McKeown, 2004; Sarros, Cooper and Santora, 2008). Then, in order to accomplish change process, this paper addresses how certain organizational culture could guide organization leader to choose appropriate mode of change.

This paper addresses the mode of change management in higher education. University is a kind of knowledge-intensive firm (Bridgmann, 2007) that has unique characteristics and differs from other organization such as more emphasize in internal authority, relatively freedom from external parties interfere (Musselin, 2006) and in many countries also serves as the basis for national objectives (Boulton and Lucas, 2011). But these situations have been changing since the last 30 years (Boulton and Lucas, 2011; Musselin, 2006). Thus, there emerged some questions such as how university should adapt leading the change and how their organization culture could encourage them to manage these changes.

### Literature review.

University development. Universities began to bloom flourish since early 20th century (Drucker, 1959). In the early 19th century diploma scholarship was not a prerequisite for a person to be able to work, and those who entered university were regarded as someone who had free time/resources to spare (Drucker, 1959). However, along with the increasing contribution of university graduates to the development of economies towards the mid of the 20th century the demand for undergraduate (knowledge workers) increased and the person enrolled regarded as someone who made capital investments in order to get a higher job position.

The above description reflects a shift in the university development from an independent institution (free to determine its direction of development, there is no requirement for people on how to get in etc.) into a commodity or institutions required to give results, especially in the development of economy as well as the policies and practices of government (Burton, 2004). Changes can be triggered by external factors as well as internal ones inside organizations reflecting organizational efforts to survive and improve performance (Rajagopalan and Spreitzer, 1996).

Organizational change process theory. There are three perspectives in strategic change, namely, rational, learning, and cognitive (Rajagopalan and Spreitzer, 1996). According to the rational perspective, strategic change is a single concept measured through discrete changes in business level strategy, corporate, or collective strategy (Rajagopalan and Spreitzer, 1996). Strategic change is driven by the environment considered to be determined/described objectively and is the source of threats and opportunities of an organization (Chafee, 1985). Environment is a universal force (for the industry) that cannot be changed (by managerial action) and simply accepted as fact affecting organization. Changes in the environment will change the content of a strategy and that would change organizational performance. But how environ-

mental changes affect the content changes so that the strategy affects organization's performance is not a concern because the concept of change is usually seen as discrete (intermittent). What is the role of manager and managerial actions in developing strategic content, creating the need for change and reducing resistance to change is also considered to be a black box (Rajagopalan and Spreitzer, 1996).

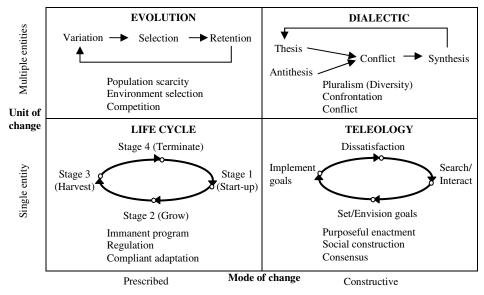
According to the learning perspective, strategic change is an iterative process in which managerial actions are central and may affect the process of strategic change, including changes in environmental conditions, changes in organizational conditions, strategic content changes, and organizational performance (Rajagopalan and Spreitzer, 1996). The learning process occurs when managerial actions reflect the behaviors that steer the environment, organization, and strategic content, then further environmental, organizational, and strategic content will provide feedback that will shape managerial actions. Environment is considered as an uncertain and dynamic context (Quinn, 1980) giving rise to uncertainty and ambiguity of information in terms of causation (Rajagopalan and Spreitzer, 1996). As a result, this perspective is difficult to distinguish/separate conceptually between managerial actions and changes in strategic content. In addition, the learning process tends to be subjective and it is difficult to obtain accumulation of knowledge.

The cognitive perspective emphasizes strategic change as an iterative process that begins with managerial cognition (interpretation process), which then becomes the basis for managerial action (Walsh, 1995) that will affect the formation (enactment) of environment, the condition of organization, changes in the contents of strategic and organizational performance (Rajagopalan and Spreitzer, 1996). Environment cannot be explained objectively, because it is enacted by a manager and represented through cognition (Johnson, 1992). Managerial cognition encourages managerial actions and then is supposed to encourage strategic change. Managerial cognition is defined as a structure of knowledge, core beliefs, causal maps and schemas (Walsh, 1995). This perspective also distinguishes evolutionary change from transformational change (Webb and Dawson, 1991). Evolutionary change occurs when strategic change does not involve a shift in the structure of existing knowledge, while the transformational change occurs when strategic change is accompanied by a major shift in the ideology of the organization (the organizational structure, incentives, and control systems) and various causal maps (Johnson, 1987).

Furthermore, A.H. van de Ven and M.S. Poole (1995) revealed 4 basic theories to explain the process of change within organization, namely the life cycle, teleology, dialectic and evolution (Figure 1). Each of these theories have differences in a) the cycle of events change; b) the generator mechanism of changes; c) the unit for analysis; d) mode of changes.

The change process theory can be classified in two dimensions based on the consequences or results of changes, namely, the unit of change and mode of change (Ven and Poole, 1995). From the unit of change dimension, change can be divided into: i) changes made by a single entity and triggered by internal development by examining the history of change process, adaptation and replication; ii) changes arising from the relationship between various entities to understand the process of competition, cooperation, conflict, and other forms of interaction. As to the mode of change dimension, change can be divided into: i) mode of prescribed changes; ii) mode of

constructive change. Mode of prescribed change is a change in the entity that follows the predetermined direction, particularly in maintaining and gradually adapting forms in a way that is stable and predictable, the mode of constructive changes is a change resulting in a new form, unprecedented and consequently is often unlinked or difficult to link with something in the past. Further it is illustrated in Figure 1.



Note: arrows indicate the sequence of events, rather than reflect causality between events.

Figure 1. Process theories of organizational development and change (Ven and Poole, 1995)

According to the life cycle theory, a change is driven by a single entity which seeks to maintain its identity during the process of change (Ven and Poole, 1995). The process of change is described as stages such as start, grow, maturity, and decline. Entities that made it through one stage to the one next can be distinguished by differences in a form or a function. Change is imminent because there is an entity within a program, routines, rules, or codes that exist in nature, social institutions, or logic which determine the development stages directing progress through various stages. Change is accumulative, in which the characters acquired at early stages will last until the final stage. Each stage is a prerequisite that must be met in order to evolve to the next stage.

According to the teleological theory, change is driven by an individual or a group that acts as a unitary and discrete, who performs reflexive monitoring for the actions that have been undertaken to build together and share an understanding of the end result or goal together (Ven and Poole, 1995). Entities can imagine the end result of development before or after actions taken, and "destination" can be specified explicitly or implicitly. However, the process of social construct or sense making, decision making, and goal setting should be identified. A number of requirements and obstacles arise while to achieving these objectives so that the entity will carry out the activities as well as the transition progress to meet the requirements and overcome obstacles.

According to the dialectical theory, a change is driven by at least two entities, each having s its own identity that oppose or contradict each other (Ven and Poole, 1995). Opposition groups should be face-to-face and engage in a conflict or an allout struggle, both physically and socially. Result of a conflict is either the emergence of a new entity, different from the two previous entities, or in the worst conditions an entity is beaten by another entity or a deadlock occurs between two entities.

According to the evolution theory, a change is driven by population, and many entities live in a symbiosis commensalism relationship (for example, in a physical or social place/event with limited resources each entity requires these resources for survival) (Ven and Poole, 1995). A clear mechanism is needed for variation and selection of entities in population. Macropopulation characteristics determine the parameters of the mechanism for variation, selection, and survival at the microlevel. Moreover, in practice, reality of change is more complex than ideal conditions as described above because in reality it is possible that more than one generation mechanism (motor) changes simultaneously.

Organizational culture. Organizational culture is defined as a pattern of basic assumptions shared and learned by a group while they are solving the problems of internal integration as well as when they are solving the problems of adaptation to external actors (Schein, 2004). Organizations can be seen as a social relation in which transactions occur (Hatch and Cunliffe, 2006). The basis for these transactions is recognition of property rights (Demsetz, 1967). Organizational culture is translated into patterns of transactions between members of an organization and is also reflected in values and norms that guide organization members (Jones, 1983; Wilkins and Ouchi, 1983). Thus, type of organizational culture can be seen through organization's efforts to minimize costs of transactions that occur in an organization (Jones, 1983; Wilkins and Ouchi, 1983; Camerer and Vepsalainen, 1988).

To manage transaction costs that occur in an organization efficiently, there are 3 alternative organizational cultures that can be used — market culture, bureaucracy culture and clan culture (Ouchi, 1980). Market culture is a culture streamlining transaction costs within organization when there is a mismatch between goals of individuals in an organization along with low ambiguity of performance. To reduce transaction costs due to these high discrepancies of individual aims a company would use price mechanism. Bureaucratic culture is a culture streamlining transaction costs in an organization when there is high discrepancy between individual aim and performance criteria. Using bureaucratic culture there would come social consensuses that could minimize discrepancies in individual aims as well as performance criteria. Clan culture is a culture streamlining transaction costs within organization when there is low discrepancies in individual aim but highly ambiguity in performance. Clan culture could promote a family perspective and solidarity that would minimize ambiguity in performance. Under certain conditions of transaction such as ambiguity, uncertainty and interdependency clan culture would be most efficient and most favorable to all organization members in the long term because of solidarity between organizational members (Wilkins and Ouchi, 1983).

Organizational culture is not only seen as a condition for achieving efficiencies in transaction costs within organization, but organizational culture also reflects orientation of an organization. Using the competing values framework, K.S. Cameron

and R.E. Quinn (2006) propose 4 types of organizational culture through a perspective based on two types of opposed orientation. The first type is a conflict between focusing on internal environment or external environment. The second type is a conflict between a focus on flexibility and exceptions/discretionary or stability and control. From these two dimensions we obtain four types of organizational culture — clan culture, adhocracy culture, market culture, and hierarchy culture.

Clan culture is a kind of organizational culture that is focused on internal environment and more emphasis is on flexibility and discretion (Cameron and Quinn, 2006). Clan culture is a family-like organization that encourages collaboration among employees to achieve success (Cameron and Quinn, 2006; Kreitner and Kinicki, 2008). Employees are the company's focus and cohesiveness is obtained through involvement of employees in consensus, job satisfaction, and commitment (Kreitner and Kinicki, 2008; Scherer, 1988). Clan culture allocates large amounts of resources to recruit and develop employees, and customers are seen as colleagues (Kreitner and Kinicki, 2008). The purpose of clan culture is collaboration through cohesion, participation, communication, and reinforcement (empowerment) (Kreitner and Kinicki, 2008; Scherer, 1988).

Adhocracy culture is a type of organizational culture focused on external environment and differentiation. Adhocracy culture appreciates more flexibility and discretion rather than stability and control (Cameron and Quinn, 2006). Adhocracy culture also encourages the creation of products and services through the ability to be adaptable, creative, and quick response to market changes. Power and authority within an organization is decentralized through efforts to encourage employees to take risks, think in new ways and experiment with searching for new ways while completing tasks. Adhocracy culture is suitable for industries that require innovations to strengthen growth (Kreitner and Kinicki, 2008). The purpose of this type of an organizational culture is creation of something new through adaptability, creativity, and simplicity (agility). Furthermore, results of adhocracy culture are innovations, growth, and output as a result of a breakthrough (Cameron and Quinn, 2006).

Market culture is a type of organizational culture that becomes a source of business growth, had capabilities in alignment with changes in external environment as well as more emphasis on relationship stability and control of market incompatibility (Cameron and Quinn, 2006). Market culture is driven by competition and strong desire to produce results and achievement of objectives. Customers and profit take more precedence than employee development and satisfaction. The main objective of managers in this type of culture is to encourage productivity, profit and customer satisfaction. Employees are expected to be able to react quickly, work hard and produce quality work in a timely manner. Market culture also emphasizes centralization of authority, high-level control, and tends to reward employees who can create resolve problems (Cameron and Quinn, 2006).

Hierarchical culture is a type of organizational culture focused on internal environment and integration. Hierarchical culture appreciates stability and control rather than flexibility and discretion (Cameron and Quinn, 2006). Furthermore, development of reliable internal processes, extensive measurement, and implementation of a wide variety of control mechanisms are highly encouraged in this type of culture (Kreitner and Kinicki, 2008). Final results as expected by hierarchical culture are

efficiency, timeliness, and reliability in manufacturing and delivery of products and services (Cameron and Quinn, 2006; Scherer, 1988). Companies that implement hierarchical culture have steady and cautious operations (Shieh and Wang, 2010).

Organizational culture approach used by K.S. Cameron and R.E. Quinn (2006) is also in line with other experts (Harris, 1998; Pettigrew, 1979) which revealed that organizational culture is something that is pluralist in structure (Desphande and Farley, 2004). Thus, it is possible that there are more than one organizational culture within an organization, each of which will be referred to as sub-culture (Siehl and Martin, 1984). The most dominating sub-culture will be referred to as a dominant culture. Besides the dominant culture, an organization can have a sub-culture that is supportive of dominant culture and the so-called enhancing subculture, which is neutral towards the dominant culture and the so-called orthogonal subcultures and subcultures that are opposed to the dominant culture and are called countercultures.

**Methodology.** This research is a descriptive study (Cronin et al., 2008) aimed to provide comprehensive understanding about the research problems and raises the importance of new research on our topic. This study involves university as a study object. University is considered important because 1) after the 1960s, research on higher education put more emphasis on the college level rather than university as an institution (Musselin, 2006); 2) there have been many significant changes in the university environment (Altbach et al., 2009). Questionnaires and focus group discussion were used to collect data. This research used primary data collected from deans and other faculty officials and also secondary data.

In order to address higher education strategic change, this research has compared between data collected from deans and data collected from other faculty members. Then we also got conclusions through focus group discussion.

**Discussion.** As a descriptive research, this study aims to reveal the strategic changes that could shift university mission from guiding the mankind into serving community needs. This research proposed that university should address these strategic changes by taking a dialectical perspective. University should offer a thesis and look for their stakeholders as antithesis sources and consider their antithesis. Then, they should develop a synthesis on the common ground. In doing this, university should encourage a clan culture with the stakeholder perspective as their dominant culture.

Clan culture is based on assumption that an organization has basic assumptions and values heritage important and needed by community. But at the same time university should consider community as a source of variances that stimulate them in the direction of synthesis. If, university does not consider local community aspirations, they would grow as an "ivory tower". But if they fully adapt to the environment, they would become a servant of the community. Then, a clan culture with the stakeholder perspective should be attained.

As mentioned above, university used to be a place where freedom, flexibility, personal authority were nurtured and valued. Thus, we would expect that there would be a clan culture as a dominant one in a university where people focus more on internal issues and discretion. But our finding did not show this. Table 1 shows that dominant culture in Maranatha Christian University is hierarchical. Moreover, we can see in Table 2, that among 9 faculties in Maranatha Christian University only 2 faculties had

clan culture as their dominant one. Both of them are the youngest faculties in Maranatha Christian University. It can be concluded that hierarchy culture as a currently dominant culture as resulted from a shift from clan culture to hierarchy culture.

Table 1. Organizational culture profile (Maranatha Christian University, 2015)

|                      | Category |        |         |        |                       |        |
|----------------------|----------|--------|---------|--------|-----------------------|--------|
|                      | Total    |        | Deans   |        | Other faculty members |        |
|                      | Current  | Future | Current | Future | Current               | Future |
| Clan culture         | 27       | 30     | 25      | 33     | 30                    | 31     |
| Adhocracy culture    | 20       | 22     | 19      | 21     | 19                    | 22     |
| Market culture       | 23       | 22     | 21      | 21     | 21                    | 21     |
| Hierarchical culture | 30       | 26     | 35      | 25     | 30                    | 26     |
| Total                | 100      | 100    | 100     | 100    | 100                   | 100    |

Table 2. Organizational culture by faculties (Maranatha Christian University, 2015)

| Type of organizational culture |            | Clan                 | Adhocracy | Market | Hierarchy   |         |
|--------------------------------|------------|----------------------|-----------|--------|---|---------|
| Турс                           | or organiz | ational culture      | culture   |        |   | culture |
|                                | Current    | Total                | 20        | 18     | 26  | 36      |
|                                |            | Dean                 | -         | 5      | 30  | 65      |
| Faculty of                     |            | Other faculty member | 22        | 19     | 26  | 33      |
| Medicine                       |            | Total                | 33        | 23     | 23  | 22      |
|                                | Future     | Dean                 | 50        | 22     | 18  | 10      |
|                                |            | Other faculty member | 29        | 23     | 26<br>30<br>26<br>23  | 25      |
|                                |            | Total                | 24        | 20     | culture  26  30  26  23  18  24  21  25  20  22  15  22  24  19  24  22  25  20  25  20  25  18  25  20  25  18 | 34      |
|                                | Current    | Dean                 | 13        | 29     | 25  | 33      |
| Faculty of Engineering         |            | Other faculty member | 24        | 18     | 20  | 38      |
|                                |            | Total                | 26        | 19     | 22  | 33      |
|                                | Future     | Dean                 | 29        | 21     | 12  | 38      |
|                                |            | Other faculty member | 25        | 17     | 22  | 36      |
|                                |            | Total                | 28        | 20     | 22  | 31      |
|                                | Current    | Dean                 | 32        | 18     | 15  | 35      |
| Faculty of                     |            | Other faculty member | 29        | 18     | 22  | 31      |
| Faculty of Psychology          |            | Total                | 26        | 21     | 24  | 29      |
|                                | Future     | Dean                 | 28        | 18     | 19  | 35      |
|                                |            | Other faculty member | 26        | 21     | culture  26  30  26  23  18  24  21  25  20  22  12  22  24  19  24  22  25  20  25  18  25  20  25  18         | 29      |
|                                | Current    | Total                | 28        | 20     | 22  | 31      |
|                                |            | Dean                 | 32        | 18     | 15  | 35      |
| Faculty of                     |            | Other faculty member | 29        | 18     | 22  | 31      |
| Letters                        | Future     | Total                | 28        | 24     | 22  | 26      |
|                                |            | Dean                 | 25        | 25     | 25  | 25      |
|                                |            | Other faculty member | 29        | 24     | 20  | 27      |
|                                | Current    | Total                | 24        | 21     | 25  | 30      |
| Faculty of Economics           |            | Dean                 | 45        | 14     | 18  | 23      |
|                                |            | Other faculty member | 23        | 21     | 25  | 30      |
|                                | Future     | Total                | 30        | 23     | 22  | 25      |
|                                |            | Dean                 | 45        | 7      | 18  | 31      |
|                                |            | Other faculty member | 29        | 24     | 23  | 24      |

| Co | ntini | ıation | of | Table | 2 |
|----|-------|--------|----|-------|---|
| CO | ntini | iation | OI | rabie | _ |

| Type of organizational culture |            | Clan                 | Adhocracy   | Market   | Hierarchy   |         |
|--------------------------------|------------|----------------------|---|--|---|---------|
| Турс                           | or organiz | ational culture      | culture   | culture  | culture   | culture |
|                                | Current    | Total                | 27  | 21   | 23  | 30      |
| Equilty of                     |            | Dean                 | 23  | 12   | 22  | 43      |
| Faculty of<br>Arts and         |            | Other faculty member | culture         culture         culture           27         21           23         12           ember         26         21           30         24           28         25           ember         32         24           28         20           29         23           ember         28         19           32         22           30         25           ember         34         22           25         24           ember         38         20           23         23         28  | 23   | 30  |         |
| Design                         |            | Total                | 30  | culture         culture         culture           27         21         23           23         12         22           26         21         23           30         24         21           28         25         25           32         24         19           28         20         22           29         23         21           28         19         21           32         22         19           30         25         20           34         22         18           32         20         21           25         24         23           38         20         20           32         20         21           25         24         23           38         20         20           35         23         21           23         28         24           45         21         14           34         21         21           25         26         26 | 26  |         |
| Design                         | Future     | Dean                 | 28  | 25   | 25  | 22      |
|                                |            | Other faculty member | 32  | 24   | culture           23           22           23           21           25           19           22           21           19           20           18           21           23           20           21           23           20           21           23           20           21           24           14           21 | 25      |
|                                |            | Total                | 28  | 20   | culture  23  22  23  21  25  19  22  21  21  19  20  18  21  23  20  21  23  20  21  24  14  21  26   | 30      |
| Equilty of                     | Current    | Dean                 | 29  | 23   | 21  | 27      |
| Faculty of<br>Information      |            | Other faculty member | 28  | 19   | 21  | 31      |
| Technology                     |            | Total                | 32  | 22   | 19  | 27      |
| reciliology                    | Future     | Dean                 | 30  | 25   | 20  | 25      |
|                                |            | Other faculty member | 34  | 22   | culture  23  22  23  21  25  19  22  21  21  19  20  18  21  23  20  21  23  20  21  24  14  21  26   | 27      |
|                                |            | Total                | 32  | 20   | 21  | 28      |
|                                | Current    | Dean                 | culture         culture         culture         culture           27         21         2           23         12         2           26         21         2           30         24         2           28         25         2           28         20         2           29         23         2           20         29         23           21         32         22           30         25         2           21         32         20           25         24         2           25         24         2           25         24         2           25         24         2           25         24         2           25         24         2           25         24         2           25         24         2           25         24         2           25         24         2           23         28         2           23         28         2           23         28         2           24         2 | 23   | 28  |         |
| Faculty of                     |            | Other faculty member | 38  | 20   | culture  23  22  23  21  25  19  22  21  21  19  20  18  21  23  20  21  23  20  21  24  14  21  26   | 23      |
| Law                            |            | Total                | 32  | 20   | 21  | 28      |
|                                | Future     | Dean                 | 27 21 23 28 22 er 26 21 23 30 24 21 28 25 25 er 32 24 19 28 20 22 29 23 21 er 28 19 21 32 22 19 30 25 20 er 34 22 18 32 20 21 25 24 23 er 38 20 20 er 34 22 18 32 20 21 25 24 23 er 38 20 20  | 23   | 28  |         |
|                                |            | Other faculty member | 38  | 5     21     23       0     24     21       3     25     25       2     24     19       3     20     22       0     23     21       3     19     21       2     22     19       0     25     20       4     22     18       2     20     21       5     24     23       3     20     20       2     20     21       5     24     23       3     20     20       5     24     23       3     20     20       5     24     23       3     20     20       5     24     23       3     20     20       5     23     21       4     21     21       4     21     21       5     25     26  | 23  |         |
|                                | Current    | Total                | 35  | 23   | 21  | 21      |
| Faculty of Dentistry           |            | Dean                 | 23  | 28   | 24  | 26      |
|                                |            | Other faculty member | 45  | 21   | 14  | 20      |
|                                | Future     | Total                | 34  | 21   | 21  | 25      |
|                                |            | Dean                 | 25  | 25   | 26  | 24      |
|                                |            | Other faculty member | 38  | 20   | 16  | 26      |

After data collection we made temporary conclusions as mentioned above, and this research continued to seek further explanations by conducting focus group discussions. Some additional explanations are revealed as follows.

Usually, newly formed faculty has only few members (6–7 persons). Most of them already have close relationship because they already worked together preparing this faculty to be launched. In a new faculty, all members feel equal because they are newly recruited. There is no senior-junior status among them. This encourages them to build a family atmosphere. Thus, the dominant culture would be a clan culture.

As a new faculty grows bigger, it recruits more members. Then emerges senior-junior status among faculty members. Because it is a bigger organization now, they also need more formal procedures and hierarchy. Then the dominant culture would shift from a clan culture to a hierarchy one.

Currently, the dominant culture in Maranatha Christian University is hierarchy culture. This was supported by deans and other faculty members. But, according to other faculty members, they also had clan culture as other dominant one. Beside of the existence of these two types of organizational culture, we could conclude that both of deans and other faculty members were internally oriented. Deans are more focused on control and stability because they are the first one to have more responsibility and obligation for faculty performance and stability and also they are the final decision makers. Meanwhile, other faculty members emphasized between flexibili-

ty/discretion and stability/control because as administrators they manage stability and control of their organization. At the same time, as an academic community, they also accentuate freedom (Musselin, 2006) and they are not the final decision makers.

Both of deans and other faculty members perceive clan culture as their ideal type of organizational culture. They perceive that as an academic community they should focus and strengthening distinctiveness (Musselin, 2006) in order to carry their mission and contribute to their nation (Burton, 2004). So, they prefer internal orientation rather than external orientation and also prefer more flexibility/discretion rather than stability/control.

Both deans and other faculty members perceive themselves as agents that should address change actively. As scholars they rather construct their future than follow something that has already been prescribed. According to the change process paradigm, this situation made them prefer either dialectical or teleology approach rather than life cycle or evolutionary approach. And currently, they prefer more teleology rather than the dialectical approach because they have more internal orientation than external one. Officers, especially deans, have to define the end result to guide their faculty so they are more focused on control and stability. But as members of the academic community they also appreciate personal freedom, thus they may take the dialectical perspective. This contradictory situation may be referred to as organized anarchy (Cohen et al., 1972).

For example, in terms of university governance as a private university, Maranatha Christian University should give prime attention to accreditation (Jacob, 2011). Thus, they tend to set accreditation as their goal and deploy programs to achieve this target. At the same time, there are other important issues faced by Indonesian private universities such as how to compete with other universities in attracting prospective students, how to sustain their business, how to gather resources they needed. Sometimes, requirements in accreditation do not align with both business or industrial environment or with community expectations. University should manage these tensions smoothly to lower the bargaining power of these forces. In doing so they also need avoid conflicts. Then, the dialectic approach should be mostly selected.

**Conclusions.** Education should not only have a market orientation perspective but more of internal orientation. Universities offer their competences to build community trust. These competences serve as a foundation in for stronger bargaining power. Their competences also give them authority and power. As university grows bigger it becomes more complex and needs more regulation. It means that a bigger university should shift orientation from flexibility and discretion more to stability and control. It might be the key reason for a university to have hierarchical culture.

Hierarchical culture is more effective in mass production and standard operations. Education is a kind of business prefers more customized processes although they also have some standards. In order to govern a university well, we also should consider its origin/uniqueness and mission. This paper suggests that a clan culture with a stakeholder perspective could help university manage their business properly.

Based on our theoretical analysis and the information gained in the field study this research concludes that in order to face changes in organization, they need to map out their situation changes, especially looking for an appropriate approach toward the theory of process changes accordingly. In the university context, the ideal corresponding change process theory is dialectical. Indonesian private universities are mostly in a situation in which they should manage the tension between their own interests, government interests and local business community interests. But, since currently they have lower bargaining power towards their own environment they tend to use the teleology approach more. However, this argument needs to be validated through broader field research in order to get more facts about the practice of change process so that the resulting findings may clarify the theories that exist or may even bring in a new theory.

In order to run organizational change processes smoothly, a university needs a specific type of organizational culture consistent with assumptions and process changes. In the context of higher education, it is expected that clan culture with a stakeholder orientation can help university manage dialectical changes it faces. Clan culture was chosen because universities had their own missions towards society and stakeholder orientation was needed in order to address this external demand. However, this opinion should also be validated through broader field research in order to obtain more facts that can strengthen the existing theory or even encourage the emergence of a new theory.

Clan culture with a stakeholder orientation could hopefully help private universities cope with their current situations. Clan culture is able to encourage loyalty and engagement of members so needed to build and empower distinctive competences and uniqueness.

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