

The Analysis of Organization Cultural Values of Local Government Company (Study in the Local Water Company of Bogor Regency)

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ABSTRACT

Bogor Regency is one of the regencies located in West Java, Indonesia. The local government serves citizen in term of drinking water through a local water company named PDAM. This company produces and distributes clean water for citizens in Bogor Regency. The researcher intends to describe the characteristics of cultural values in this company. These values have an important role in managing the company. This research focused on cultural values and used the quantitative research method. The locus of this research is the Local Water Company (PDAM) of Bogor Regency, West Java Indonesia. The population of this research is employees of the Local Water Company of Bogor Regency. This research used seven characteristics of cultural values (Robbins, 2010). These characteristics are innovation and risk taking, attention to detail, result orientation, people orientation, team orientation, aggressiveness and stability. The research result showed that respondents' perception of characteristics of cultural values in the company is 71.43%. This data means cultural values: innovation and risk taking, attention to detail, result orientation, people orientation, team orientation, aggressiveness and stability are at a good level but they should be optimized.

Keywords: Characteristics of Cultural Values, Local Water Company

I. BACKGROUND

Bogor Regency is one of regencies in West Java Province. Bogor Regency borders Tangerang City and Tangerang Regency, Depok City, Bekasi City and Bekasi Regency, Karawang Regency, Cianjur Regency and Sukabumi Regency. The area of Bogor Regency is 2,071.21 km².

The population of Bogor Regency is about 5 million. Rapid growth rate of population has made Bogor Regency one of the most populated regencies in Indonesia.

Local Government of Bogor Regency undertakes development to improve the life quality of about 5 million citizens. Public services in some sectors are provided in order to improve the human development, whether it is in education, health and economic sectors.

In case of the public service in the sector of provision and distribution of fresh water, Bogor Regency has provided the service of fresh water and drinking water for its citizens through a local government-owned company known as Perusahaan Daerah Air Minum 'Local Government Company for Drinking Water' (PDAM). PDAM owned by

Local Government of Bogor Regency is named PDAM Tirta Kahuripan. PDAM of Bogor Regency has clear vision and mission in operating the company. The vision is: "Realization of independent, reliable and trusted services." Meanwhile, the mission is:

1. To provide services continually with water quality that meets prevailing requirements in sufficient quantity.
2. To foster and establish good relations with customers and stakeholders of the company.
3. To improve the quality of human resources of the company.
4. To improve the financial performance of the company.
5. To prioritize the development for the household segment but keep paying attention to the non-household sector.

Besides vision and mission, PDAM of Bogor Regency has also motto: "Excellence in services." As a public company, through this motto the company tries to be an entity which is always excellent in providing services to the public.

In order to realize the vision and mission, corporate cultural values are the important factor as the guidance for all members of the organization in accomplishing their work.

Schein (1992: 12) defined corporate/organizational culture as follows: "*A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems.*" PDAM of Bogor Regency as an organization certainly has values which guide the members of the organization in perceiving, thinking and dealing with the problems they face.

Some situations faced in corporate cultural values are, among other things, innovation that still needs attention and the employees' carefulness. Besides that, there is a lack of effort to strengthen the team and the employees' aggressiveness in accomplishing their work has not appeared.

II. THEORETICAL BASIS

Kreitner and Kinicki (2001: 60) perceive organizational culture as a form of assumption which is owned and received implicitly by a group which determines how the group perceives, thinks about and reacts to various environments, which they stated as follows: "*The set of shared, taken for granted implicit assumptions that a group holds and that determines how it perceives, thinks about and reacts to its various environments*".

Meanwhile, according to Robbins (2001: 510): "*Organizational culture refers to a system of shared meaning held by members that distinguishes the organization from other organizations*". This system of shared meaning, if we observe it more carefully, is a set of primary characteristics valued by the organization.

From these definitions, it can be concluded that organizational culture is not visible and it is not directly tangible. It takes time to understand organizational culture. It has been

revealed by Hoecklin (1995: 24) that: “*Culture is not a thing which can be experienced directly tangible or visible.*”

Based on the latest research, Robbins (2001) suggested that organizational culture has 7 (seven) primary characteristics that capture the essence of an organization’s culture as follows:

1. Innovation and risk-taking are the degree to which employees are encouraged to be innovative and to take risks.
2. Attention to detail is the degree to which employees are expected to exhibit precision, analysis and attention to detail.
3. Outcome orientation is the degree to which managers focus on results or outcomes rather than on techniques and processes used to achieve these outcomes.
4. People orientation is the degree to which management decisions take into consideration the effect of decisions on people within the organization.
5. Team orientation is the degree to which work activities are organized around teams rather than individuals.
6. Aggressiveness is the degree to which people are aggressive and competitive rather than easy-going.
7. Stability is the degree to which organizational activities emphasize maintaining the status quo in contrast to growth or change.

Each of these characteristics exists in a continuum (a unity) from low to high. Therefore, appraising the organization on these 7 (seven) characteristics gives a composite picture of its culture. In this case, the picture becomes the basis for feelings of shared understanding that members have about the organization, how things are done, and the way members are supposed to behave.

III. METHOD

The object of this research is the organization’s cultural values and the unit of analysis is employees as the member of the organization. This study used the quantitative research method Creswel (2003) to assess the level of organizational value condition in the Local Water Company of Bogor Regency.

The population is all employees of this company. The researchers used the Slovin technique to gain the sample size. The simple random sampling technique was used to determine the respondent. Then, the data was tabulated and analyzed to describe the organization cultural values of the Local Water Company of Bogor Regency.

IV. RESULT AND DISCUSSION

Authors describe cultural values of the Local Water Company (PDAM) of Bogor Regency with the guidance of the Robbins theory (2001:510).

Innovation and risk taking mean the degree to which employees are encouraged to be innovative and to take risks. Attention to detail is the degree to which employees are expected to exhibit precision, analysis and attention to detail. Outcome orientation is the degree to which managers focus on results or outcomes rather than on techniques and processes used to achieve these outcomes. People orientation is the degree to which management decisions take into consideration the effect of decisions on people within the organization. Team orientation is the degree to which work activities are organized around teams rather than individuals. Aggressiveness means the degree to which people

are aggressive and competitive rather than easy-going. Stability is the degree to which organizational activities emphasize maintaining the status quo in contrast to growth or change.

The table below describes the condition of cultural values of the company.

Table 4.1
Characteristics of Cultural Values of PDAM of Bogor Regency

Num	Characteristics	Percent (%)
1	Innovation and Risk Taking	70.16
	Dare to take risks	72.26
	Encouragement to develop creativity	68.39
	Work situation encourage innovation	68.39
	Opinions' Opportunity	71.61
2	Attention to details	76.77
3	Results Orientation	72.26
	Work control	74.19
	Implementation of work quality standard	70.97
	Implementation of work quantity standard	71.61
4	People Orientation	70.45
	Equality of Promotion	59.35
	Equality of compensation with other local companies	75.48
	Equality of compensation with other local water companies	75.48
	Compensation equal to workload	72.9
	Training fit with need	69.03
5	Team Orientation	74.62
	Encouragement for teamwork	75.48
	Clarity of division of work in team	71.61
	The work ability as a team	76.77
6	Aggressiveness	65.49
	Encouragement for initiative	70.32
	Initiative appreciation	60.65
7	Stability	70.32

The condition of innovation and risk-taking in PDAM of Bogor Regency belongs to a category of "good", that is, as high as 70.16% in average. The highest aspect of the condition of "innovation and risk-taking" in PDAM of Bogor Regency is "dare to take risks", that is, as high as 72.6%, which means the employees of PDAM of Bogor Regency are dare to take risks in each of their jobs and the decision they make. Meanwhile, the lowest condition is in "encouragement to develop creativity and "work

situation encourage innovation”, that is, as low as 68.39%, but the point is categorized as “good”, which means the work situation is able to encourage the development of employees’ creativity.

In case of carefulness (“attention to detail”) it is shown that carefulness at work of employees of PDAM of Bogor Regency is as high as 76.77%. It indicates that carefulness at work in PDAM of Bogor Regency is categorized as “good”. Based on interviews with employees and managers, we obtain the information that carefulness becomes their priority in work. However, some errors still occur in their work but they are still repairable.

The table above shows the condition of “results orientation” in PDAM of Bogor Regency belongs to a category of “good”, that is, as high as 72.26% in average. The highest aspect in “results oriented” in PDAM of Bogor Regency is “work control”, that is, as high as 74.19%. It means PDAM of Bogor Regency is categorized as “good” in controlling the work of its employees. Meanwhile, the lowest aspect in “results oriented” in PDAM of Bogor Regency is “implementation of work quality standard”, that is, as low as 70.97%. It means PDAM of Bogor Regency belongs to a category of “good” in implementing work quality standard of its employees.

Then, how is the condition of cultural values based on the aspect of employee orientation (people orientation) in PDAM of Bogor Regency? The data shows that the aspect of “people orientation” belongs to a category of “moderate” with the average percentage of 70.45%. The highest aspect in “employee orientation” in PDAM of Bogor Regency is as high as 75.48%, that is, in “equality of compensation with other local companies and other local water companies” which belongs to a category of “good”. It means the compensation given by PDAM of Bogor Regency to its employees is equal with that of other local companies (BUMD) and other local water companies (PDAM). Meanwhile, the lowest aspect is as low as 59.35%, that is, in “equality of promotion”. It means that not all employees have the opportunity to get promotion. In fact, the opportunity to get promotion is one of the employees’ motivations in improving their performance.

The next cultural value is “team orientation”. Based on the survey above, it can be seen that “team orientation” in PDAM of Bogor Regency is categorized as “good” with an average percentage of 74.62%. The highest aspect in “team orientation” is “the company encourages for teamwork”, that is, as high as 76.77% which belongs to a category of “good”. It means the employees are able to perform teamwork well. Meanwhile, the lowest aspect in “team orientation” is as low as 71.61%, that is, in “clarity of division of work in team”. It means division of work in PDAM of Bogor Regency is still “poor” compared to the other aspects in “team orientation”. Clarity of division of work in team can help the employees to work effectively and efficiently.

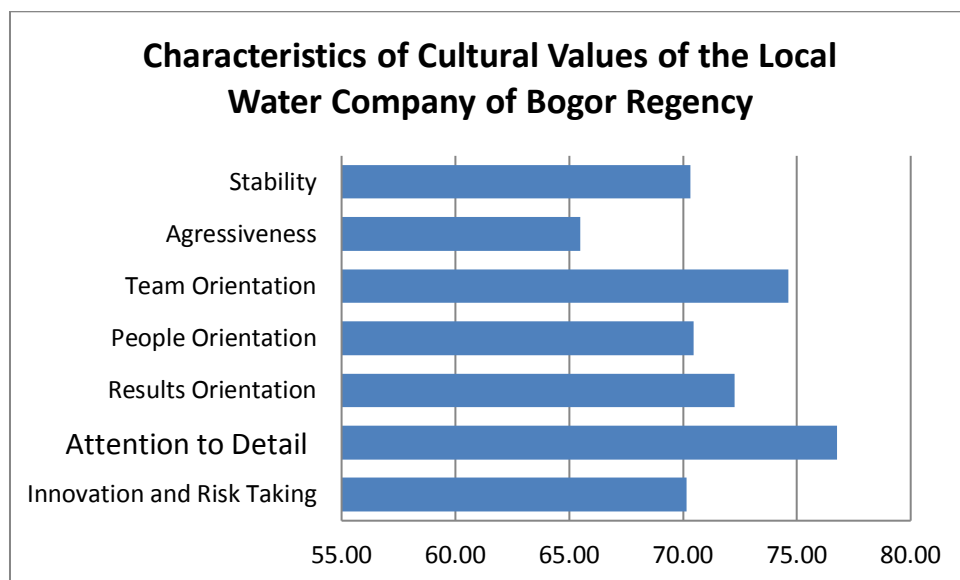
According to the research finding of Tehseen (2015), teamwork have correlation with other aspect of organization: “...the high relevance of social interactions and teamwork for the development of innovations, commercialization of innovations, and market-related advantages of being an innovator or innovative firm in a less innovative environment actually leads to propose that collectivism improves the relationship between innovation and SMEs performance.”

The next cultural value is “aggressiveness”. This cultural value in PDAM of Bogor Regency is categorized as “moderate” with an average percentage of 65.48%.

The highest aspect in “aggressiveness” is as high 70.32%, that is, in “the company encourage for initiatives to the employees in their work. Employees are allowed to express their aggressiveness in work to improve their performance in the company. Meanwhile, the lowest aspect is in “aggressiveness” is as low as 60.65%, that is, in appreciating the employees’ aggressiveness which can be categorized as “moderate”. It means the company fairly appreciates the employees’ aggressiveness which can make them work comfortably.

The last cultural value is “stability”. Here, stability means the degree to which the company creates a stable condition in performing a variety of prevailing provisions and regulations to realize a steady condition that supports the work performance. The survey result indicates that the condition of work culture based on stability in PDAM of Bogor Regency is categorized as “good” with a percentage of 70.32%. It means stability in the company is fairly good which can support the creation of work culture in PDAM of Bogor Regency. A stable condition in the company can encourage the employees to work harder.

The following is tabulation of the result of the research on corporate cultural values in PDAM of Bogor Regency, West Java.



The figure shows the result of the survey on the organization’s cultural values based on the dimension proposed by Robbins (2001). “Attention to detail” becomes the highest cultural value among other cultural values. Meanwhile, the lowest is “aggressiveness”.

V. CONCLUSION

Condition of the organization’s cultural values in Local Water Company (PDAM) of Bogor Regency is good with the average result of the employees’ assessment of 71.43%. Meanwhile, the highest cultural value is “attention to detail”. The lowest cultural value is “aggressiveness”. This is a signal that the company must improve the employees’ aggressiveness in performing their work and achieving the target according to the stipulated plan.

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