

**THE ANALYSIS OF ORGANIZATION'S CULTURE USING
ORGANIZATIONAL CULTURE ASSESSMENT INSTRUMENT: A CASE
STUDY OF X ORGANIZATION**

By

Hanny Stevanie
133 11 038

BACHELOR'S DEGREE

in

BUSINESS ADMINISTRATION – HOTEL AND TOURISM MANAGEMENT
CONCENTRATION

FACULTY OF BUSINESS ADMINISTRATION & HUMANITIES



SWISS GERMAN UNIVERSITY
EduTown BSD City
Tangerang 15339
Indonesia

August 2015

Revision after the Thesis Defense on August 5th, 2015

STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the ward of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

Hanny Stevanie

Student

Date

Approved by:

Vishnuvardhana S. Soeprapto, BA, MA

Thesis Advisor

Date

Prof. Eric Jos Nasution, MBA, MA, Ph.D

Dean of Faculty of Business Administration &
Humanities

Date

Hanny Stevanie

ABSTRACT

THE ANALYSIS OF ORGANIZATION'S CULTURE USING ORGANIZATIONAL CULTURE ASSESSMENT INSTRUMENT: A CASE STUDY OF X ORGANIZATION

By

Hanny Stevanie

Vishnuvardhana S. Soeprapto, BA, MA, Advisor

SWISS GERMAN UNIVERISTY

The Hospitality and Tourism Industry continuously faced with countless of pressure to adapt themselves to the changes in order to be able to perform more effectively. This study examined the perception of one organization in Hospitality and Tourism Industry, particularly X Hotel, about their establishment's current and preferred organizational culture, and the culture as perceived by the employees in the Operational Level and the Managerial Level. A descriptive research method was employed using a version of Cameron and Quinn's (2011) Organizational Culture Assessment Instrument (OCAI), distributed to a number of samples of employee in X Hotel.

Result shows that X Hotel's organizational culture as perceived by the overall, clan culture as 1st, hierarchy 2nd, market 3rd, and adhocracy 4th. The preferred culture, although also dominated by the clan culture (1st), culture changed slightly with adhocracy 2nd hierarchy 3rd, and market culture 4th.

The employees in the Operational Level share the same perception of the culture as the overall employees. The employees in the Managerial Level, however, had a slight difference in their perception. In both the current and

preferred situation, the Managerial Level has clan culture as 1st, market 2nd, hierarchy 3th, and adhocracy 4th.

With the differences between the 2nd, 3rd, and 4th culture were all below 5, indicating that it is not significant, the culture of X Hotel, can therefore be said to be reasonably aligned.

Keywords: Organization Culture, Organizational Culture Assessment Instrument (OCAI), Hospitality and Tourism Industry, Hotel, Clan Culture, Adhocracy Culture, Market Culture, Hierarchy Culture





DEDICATION

This thesis is dedicated to all the people who never stop believing in me and support me through good and bad times, in every up and down.

My father, who has been my role model for hard-work, persistence and personal sacrifices, and who instilled in me the inspiration to set high goals and the confidence to achieve them.

My mother, who emphasized the importance of education and helped me with my lessons throughout her life.

My siblings, who encourage and keep my spirit up in completing this thesis.

This thesis is also dedicated to

X Hotel, who gave their approval and kind cooperation. I hope the result of this research is meaningful and helpful for the management and future success.

The students of Hospitality and Tourism Management in Swiss German University and in other university who need to see the content of my thesis. I hope the information contained in this thesis is helpful and useful for further research and development.

The Hospitality and Tourism Industry. I hope the information in this research is useful and helpful for achieving business success.

ACKNOWLEDGEMENTS

To finally produce this work in 2015, I was guided, supported, and encouraged by many people. It is a pleasure to convey my gratitude to the people who contributed in different ways to the research.

First and foremost I would like to thank my advisor Mr. Vishnuvardhana S. Soeprapto. Without his patient guidance, teaching, insightful ideas and long hours of work, this thesis could not have been completed. I cannot adequately express my thanks for his help and interest in seeing me obtain not only my degree, but succeed in all my endeavours. For all his help and mentoring, I am very grateful.

I am very thankful for X Hotel for granting me their approval for conducting my thesis work in their establishment. I also wish to thank all employees of X Hotel, especially all participant of this research, for their effort and time to help out with this research. I humbly acknowledge their cooperation and support they have shown.

I am grateful for the librarians of Swiss German University for their valuable assistance in accessing various books and journal article.

I want to express my heartfelt thanks to Mrs. Veronika M.S. for her valuable assistance with statistical analysis and advice.

My special thanks to Examination Office Team for their kind assistance in providing reference letter and various information regarding the thesis work.

I would also like to thank all of my friend for their extended support and generously offering help in the midst of all their activity.

Above all, I want to express my appreciation to my wonderful family for their immense support and prayers. My parents deserve special thanks for giving me the best they could. Thank to my father, for all the interest he has shown in my education ever since I was a child. Thanks to my mother for her

affection and gentleness towards me, for caring me, and for constant prayer. Thanks to my siblings for all the encouragement, support, understanding and patience they have shown me in the completion of this research.

Hanny Stevanie



TABLE OF CONTENTS

STATEMENT BY THE AUTHOR.....	2
ABSTRACT.....	3
DEDICATION.....	6
ACKNOWLEDGEMENTS.....	7
CHAPTER 1	
INTRODUCTION.....	14
1.1 Background.....	14
1.2 Research Problem.....	16
1.3 Research Objectives.....	17
1.4 Significance of Study.....	17
1.5 Scope and Limitation.....	18
1.6 Thesis Structure.....	18
CHAPTER 2	
LITERATURE REVIEW.....	20
2.1 Framework of Thinking.....	20
2.2 Hospitality Industry.....	21
2.2.1 Restaurant Business.....	21
2.2.2 Lodging.....	21
2.3 The Changing World of Hospitality Industry.....	29
2.4 Organizational Theory.....	30
2.5.1 Definition of an Organization.....	30
2.5.2 Organizational Life Cycle.....	31
2.5.3 Culture.....	44
2.5.4 Organizational Culture.....	47
2.5 Assessment Instrument.....	50
2.6.1 Organizational Culture Assessment Instrument (OCAI).....	50
2.6 Previous Research/Study.....	61

CHAPTER 3

RESEARCH METHODOLOGY	64
3.1 Research Process	64
3.2 Type of Study	65
3.3 Type of Data Sources.....	66
3.3.1. Primary Data.....	66
3.3.2. Secondary Data	67
3.4 Data Collection	67
3.5 Population and Sample	67
3.5.1. Population.....	67
3.5.2. Sample	68
3.6 Research Instrument.....	70
3.6.1. The OCAI.....	70
3.6.2. Research Model.....	75
3.6.3. Research Design	76
3.7 Data Testing.....	82
3.7.1. Validity and Reliability Test of the Returned Questionnaires	82
3.8 Research Questions and Proposition	83
3.9 Validity and Reliability	83
3.9.1. Validity	84
3.9.2. Reliability	85
3.10 Data Analysis	86

CHAPTER 4

RESULT AND DISCUSSION	88
4.1. Company Overview	88
4.2. Descriptive Analysis	88
4.3. Respondent Profile.....	94
4.3.1. Gender.....	96
4.3.2. Age	99
4.3.3. Last Education Level.....	102
4.3.4. Department.....	105

4.3.5. Employment Status.....	109
4.3.6. Length of Work	112
4.4. Validity and Reliability Test.....	115
4.4.1. Validity Test	116
4.4.2. Reliability Test	118
4.5. Proposition Analysis	118
4.5.1. The Current and Preferred Culture of X Hotel	119

CHAPTER 5

CONCLUSION AND RECOMMENDATION.....	131
------------------------------------	-----

5.1. Conclusion	131
5.2. Recommendation	133

GLOSSARY	135
----------------	-----

ABBREVIATIONS	139
---------------------	-----

REFERENCES.....	140
-----------------	-----

APPENDICES	143
------------------	-----

APPENDIX A – The Organizational Culture Assessment Instrument.....	144
--	-----

APPENDIX B – Scoring the OCAI Worksheet	147
---	-----

APPENDIX C – The Organizational Culture Assessment Instrument	148
---	-----

APPENDIX D – Organizational Culture Types.....	158
--	-----

APPENDIX E – X Hotel's "Means-Does Not Mean" Analysis.....	162
--	-----

CURRICULUM VITAE	165
------------------------	-----