RESEARCH ARTICLE

ORGANIZATIONAL CULTURE MODEL OF VIETNAM AIRLINES

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ARTICLE INFO	ABSTRACT
	Organizational culture plays an important role in the survival and development of organizations in general and airlines in particular. This research aims at identifying organizational culture model of Vietnam Airlines, the national airline operating under the model of traditional airline in Vietnam. By selecting the methodology and surveying 240 employees working at Vietnam Airlines, the result of analysis shows that the employees of Vietnam Airlines evaluated the levels of organization of Vietnam Airlines is quite good. They found that the organizational culture model of Vietnam Airlines today is mainly based on the Clan as well as Hierarchy culture model and wants to continue to strengthen the Clan and Adhocracy culture model. These assessments and expectations are also different between managers and staffs of Vietnam Airlines.

INTRODUCTION

Organizational culture first appeared in the American press in the 1960s. In the early 1990s, people began to deepen their research and understanding of the constituents as well as the great impact of organizational culture on the development of an organization.Today, the term "organizational culture" is increasingly used and more popular. Organizational culture helps to create trust for each person working in the environment and is a link between people in the same organization, creating a common voice among members in order to improve their competitiveness and create competitive advantage for the organization. An organization having an active culture will help to attract and retain talent, engage members in the organization, inspire trust, organizational pride, create stability, and reduce risk in business. It can be said that organizational culture is the key to the sustainable development of the organization.Vietnam Airlines is the national airline of Vietnam operating under the traditional airline model. The existence and development of Vietnam Airlines greatly influences the development of the aviation industry in Vietnam. Therefore, researching organizational culture model of Vietnam Airlines is very necessary to help Vietnam Airlines having the orientations to improve internal strength, competitiveness and sustainable development. This article will study theoretical basis, collect and analysis data to measure organizational culture levels as well as trends in changing organizational culture model of Vietnam Airlines and suggest appropriate policies.

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MATERIALS AND METHODS

Theoretical Basis

Organizational culture is understood in many different ways. According to The Business Dictionary, organizational culture encompasses values and behaviors that "contribute to the unique social and psychological environment of an organization". Needle (2004) supposed "organizational culture represents the collective values, beliefs and principles of organizational members and is a product of such factors as history, product, market, technology, strategy, type of employees, management style, and national culture; culture includes the organization's vision, values, norms, systems, symbols, language, assumptions, environment, location, beliefs, and habits". Besides, Ravasi and Schultz (2006), in the work "Responding to organizational identity threats: exploring the role of organizational culture"wrote that organizational culture is a set of shared assumptions that guide what happens in organizations by defining appropriate behavior for various situations. It is also the pattern of such collective behaviors and assumptions that are taught to new organizational members as a way of perceiving and, even, thinking and feeling. Thus, organizational culture affects the way people and groups interact with each other, with clients, and with stakeholders. In addition, organizational culture may affect how much employees identify with an organization (Schrodt, 2002). Bernard L. Rosauer (2013) developed what he refers to as an actionable definition of organizational culture: "Organizational culture is an emergence – an extremely complex incalculable state that results from the combination of a few simple ingredients". He outlines the three manageable ingredients

which guides the culture of any business: 1) Employee (focus on engagement); 2) The Work (focus on eliminating waste increasing value); 3) The Customer (focus on likelihood of referral). Schein, Edgar (1992), Deal and Kennedy, (2000), and Kotter at el. (1992) also advanced the idea that organizations often have very differing cultures as well as subcultures. Although a company may have its "own unique culture", in larger organizations there are sometimes co-existing or conflicting subcultures because each subculture is linked to a different management team. Summary, corporate culture is understood to be the whole of cultural values created during the existence as well as development of a business and becomes the values, concepts, traditions which go deeply into the activities of the business and govern the emotions, thinking and behavior of all members of the business in the pursuit and implementation of fulfill their purposes. Edgar H. Schein (2010) divided the organizational culture into three different levels which are: *Artifacts; Espoused Beliefs and Values; Underlying Assumptions*. The level in this context meaning the degree to which the cultural phenomenon is visible to the observer (Figure 1).
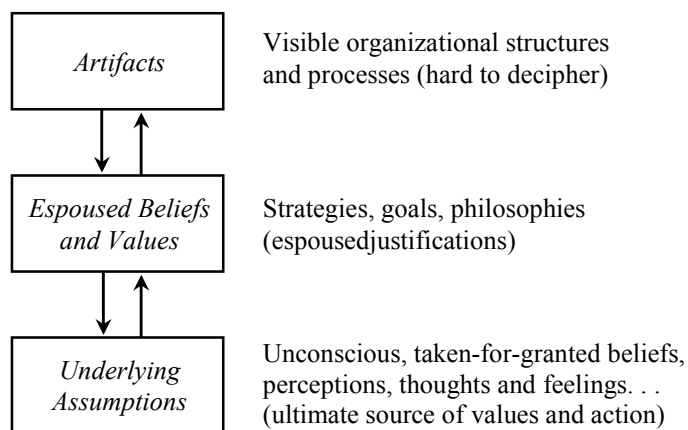
Source: Edgar Henry Schein (2010)

Figure 1. Levels of Culture

Level 1 – Artifacts: At the surface is the level of artifacts, which includes all the phenomena that one sees, hears, and feels when one encounters a new group with an unfamiliar culture. Artifacts include the visible products of the group, such as the architecture of its physical environment; its language; its technology and products; its artistic creations; its style, as embodied in clothing, manners of address, emotional displays, and myths and stories told about the organization; its published lists of values; its observable rituals and ceremonies...

Level 2 - Espoused Beliefs and Values: Espoused Beliefs and Values refer to the level of acceptance, agree, or sharing of values within an organization, including strategies, objectives, rules, regulations, vision, mission. These values are publicly available for all members of the business to make the effort. These factors are a guideline as well as direction for all employee activities and are also tangible factors because they can be recognized and expressed in a clear, accurate way.

Level 3 - Underlying Assumptions: In any cultural context, there are basic assumptions, formed and existed over a long period of time, which are deeply gone into the psychology of most members of that culture and become something of a

culture implicitly recognized. These underlying assumptions are the beliefs, perceptions, thoughts, emotions... that are ingrained in the subconscious mind of every member of the organization. These are the basis for action, orienting in the formation of values in the perception of individuals and are also the basis for the values as well as actions of each member. So far, many researchers have come up with many cultural models of the organization. Charles Handy, a leading authority on organizational culture, defined four different kinds of culture: Power culture; Role culture; Task culture; Person culture. Daniel Denison (1990) built a culture model to measure specific aspects of an organization's culture (Denison Organizational Culture Survey - DOCS). He outlined four cultural characteristics that form the basis of the organizational culture survey model that includes: Mission, Adaptability, Involvement and Consistency. Besides, Terrence E. Deal and Allan A. Kennedy (2000) developed a model of organizational culture based on characterizing four types of organization, based on how quickly they receive feedback and reward after they have done something and the level of risks that they take. The four cultures are: Work-hard, play-hard culture (rapid feedback/reward and low risk); Tough-guy macho culture (rapid feedback/reward and high risk); Process culture (slow feedback/reward and low risk); Bet-the-company culture (slow feedback/reward and high risk). To diagnose the culture of the organization, Kim Cameron and Robert Quinn (2011) identify four organizational culture models as Clan, Adhocracy, Market and Hierarchy. They are based on 2 dimensions. One dimension differentiates effectiveness criteria that emphasize flexibility, discretion, and dynamism from criteria that emphasize stability, order, and control. The second dimension differentiates effectiveness criteria that emphasize an internal orientation, integration, and unity from criteria that emphasize an external orientation, differentiation, and rivalry. Together these two dimensions form four quadrants, each representing a distinct set of organizational effectiveness indicators.

MATERIALS AND METHODS

The questionnaire was designed for two different studies, which included scales for measures of organizational culture levels and scales for identification organizational culture models. The scale for measures of organizational culture levels of Vietnam Airlines is based on the theoretical foundations of the cultural levels of Edgar H. Schein (2010). Where: The first cultural level "Artifacts" is designed to consist of six components: (1) Architecture and infrastructure; (2) Meeting mode; (3) Traditional rites, activities (4) Personal family life; (5) Logo; (6) Slogan. The second level "Espoused Beliefs and Values" is designed to consist of four components: (1) Vision; (2) Mission; (3) Business Philosophy; (4) Core Values. The third level "Underlying Assumptions" of members is designed to be evaluated with one component as the underlying assumptions. These scales are measured with a 5 degree Likert scale.Scale for identification organizational culture models of Vietnam Airlines is using the Organizational Culture Assessment Instrument (OCAI), developed by Kim Cameron and Robert Quinn (2011).The OCAI of Camaron and Quinn is used by over 10,000 companies worldwide. The OCAI Toolkit is designed to specifically assess the six components of organizational culture such as: (1) The dominant characteristics of the organization or what the overall organization is like; (2) The leadership style and approach that permeate the organization; (3) The management of employees or the style that characterizes how employees are treated and

what the working environment is like; (4) The organizational glue or bonding mechanisms that hold the organization together; (5) The strategic emphases that define what areas of emphasis drive the organization's strategy; (6) The criteria of success that determine how victory is defined and what gets rewarded and celebrated. They are observed by 24 variables on the basis of the OCAI measuring set of Kim Cameron and Robert Quinn (2011) and the CHMA measuring set designed in accordance with the characteristics of the Vietnamese organizations of Trinh Quoc Tri. From there, the organizational culture of Vietnam Airlines is based on a competitive value framework with four types of culture: Clan, Adhocracy, Market and Hierarchy. Respondents to the OCAI scale questionnaire must divide 100 points out of a total of four sub-categories suited to each of the four cultural categories. Type A indicates "Clan" culture, type B indicates "Adhocracy" culture, type C indicates "Market" culture, type D indicates "Hierarchy" culture. This method determines the blend of the four types of culture that dominate an organization. These points are then aggregated into points of four types of styles A, B, C, D and drawn on a chart that shows the difference between "Now" and "Wish".

the position, there are 34 managers, accounting for 14.17% and 206 employees, accounting for 85.83% (Table 1).

RESULTS AND DISCUSSION

Measure the organizational culture of Vietnam Airlines

Measuring organizational culture levels of Vietnam Airlines shows that employees of Vietnam Airlines evaluated the level of organization of Vietnam Airlines is quite good, with a general rating of 3,917 points on a scale of 1 to 5 point. This means that there is a problem with the level of organization of Vietnam Airlines so that they are not yet received appreciation. Overall rating for 3 levels, Level 3 "Underlying Assumptions" is rated the highest, followed by Level 1 "Artifacts" and finally Level 2 "Espoused Beliefs and Values". Details on each factor, the core value is rated highest at 4.28 points. Followed by logos, slogans, rituals and traditional activities and the meeting mode were marked with 4.25 points, 4.23 points, 4.15 points and 4.06 points respectively. The lowest evaluated factors are architecture and infrastructure, personal and family life, vision, business philosophy and

Table 1. Structure of the survey sample

Level	Sex					
	Male		Female		Total	
	Number (people)	Proportion (%)	Number (people)	Proportion (%)	Number (people)	Proportion (%)
Managers	26	20.63	8	7.02	34	14.17
Staffs	100	79.37	106	92.98	206	85.83
Total	126	100.00	114	100.00	240	100.00

Source: Result of descriptive statistics

Table 2. Measure the culture of Vietnam Airlines by the levels

No.	Level	Managers		Staffs		All employees	
		Mean	Std. Deviation	Mean	Std. Deviation	Mean	Std. Deviation
1	Artifacts	3.7941	0.6030	3.9701	0.5326	3.9417	0.5295
	Architecture and infrastructure	3.3529	0.5155	3.3981	0.3653	3.3875	0.3808
	Meeting mode	3.8824	0.4694	4.1117	0.4548	4.0625	0.4605
	Ritual, traditional activities	3.8824	0.4694	4.2233	0.4624	4.1500	0.4669
	Personal and family life	3.7059	0.6079	3.5388	0.4380	3.5750	0.4712
	Logo	3.9412	0.7707	4.2670	0.2844	4.2500	0.2841
	Slogan	4.0000	0.5688	4.2816	0.5157	4.2250	0.5205
2	Espoused Beliefs and Values	3.6618	0.6032	3.8774	0.5238	3.8438	0.5183
	Vision	3.2941	0.7952	3.6068	0.5575	3.5875	0.5696
	Mission	3.7647	0.4291	3.7767	0.4348	3.7750	0.4233
	Business philosophy	3.8235	0.4486	3.7184	0.4547	3.7375	0.4484
	Core values	3.7647	0.5029	4.4078	0.4415	4.2750	0.4963
3	Underlying Assumptions	3.5882	0.5780	4.1893	0.5006	4.0625	0.5447
	Overall	3.7273	0.6031	3.9563	0.5295	3.9170	0.5276

Source: Result of descriptive statistics

Source data

According to the researchers, the sample size is usually five times greater than the number of questions asked or observations made to ensure statistical significance. The number of observations in this study included 11 variables in the measurement scale of organizational culture level of Vietnam Airlines and 24 variables in the measurement scale of organizational culture model of Vietnam Airlines so the minimum sample size n = 35 x 5 = 175. In order to reach the sample size, 250 questionnaires were sent to the sample participants. The results of the survey received 240 valid responses, data were then processed by descriptive statistics method. The sample consisted of 126 males, accounting for 52.5% and 106 females, accounting for 47.5%. According to

mission with 3.39 points, 3.58 points, 3.59 points, 3.74 points and 3.78 points in that order. The measurement results also show that staffs' overall rating is higher than that of Managers for all three organizational culture levels of Vietnam Airlines. Going into the details of the factors, there are only two factors that were rated by staffs lower than managers is Personal and family life, Business philosophy. All the remain factors are higher appreciated (Table 2).

Desire of employees to change organizational culture model of Vietnam Airlines

The desire of employees to change organizational culture model of Vietnam Airlines is analyzed based on survey results of all employees and details by the managers as well as staffs. The results show that employees of Vietnam Airlines tend to

change the cultural model of Vietnam Airlines. Specifically, employees want to change the culture model more than desired by managers (Table 3).

Next, assessment of staffs shows that the organizational culture model of Vietnam Airlines is also strong in Clan culture model (29/100 points) and followed by Hierarchy culture model

Table 3. Evaluation of organizational culture of Vietnam Airlines by employees

Cultural models	Managers			Staffs			All employees		
	Now	Wish	Difference	Now	Wish	Difference	Now	Wish	Difference
Clan	27	28	+1	29	30	+1	29	30	+1
Adhocracy	25	26	+1	22	24	+2	23	24	+1
Market	22	22	0	23	23	0	23	22	-1
Hierarchy	26	24	-2	26	23	-3	25	24	-1
Total	100	100		100	100		100	100	

*Source:* Result of descriptive statistics

First of all, the assessment of managers shows that the current organizational culture of Vietnam Airlines is slightly heavy on the Clan culture model (27/100 points), followed by Hierarchy model (26/100 points). The lowest is Market culture (22/100 points). However, managers of Vietnam Airlines wish to strengthen Clan culture model as well as Adhocracy culture model and reduce Hierarchy culture model in their organizational culture. Market culture model is expected to remain the same (Figure 1).

(26/100 points). The lowest is Adhocracy culture model (22/100 points). They want to continue to strengthen the Clan culture model and promote the Adhocracy culture model, simultaneously sharply reduce the Hierarchy culture model and keep the model of Market culture in the organizational culture model of Vietnam Airlines (Figure 2). Finally, the overall rating of all employees shows that the main cultural model of Vietnam Airlines is now Clan culture model (29/100 points), followed by Hierarchy culture model (25/100 points). Two the lowest model are Adhocracy culture and Market culture (the same 23/100 points). In the coming time, they would like to continue to strengthen the Clan and Adhocracy culture model, while reducing the Market and Hierarchy culture model (Figure 3).

Source: Survey data analysis results

Figure 1. Desire for change of managers about cultural model of Vietnam Airlines

Source: Survey data analysis results

Figure 2. Desire for change of staffs about cultural model of Vietnam Airlines
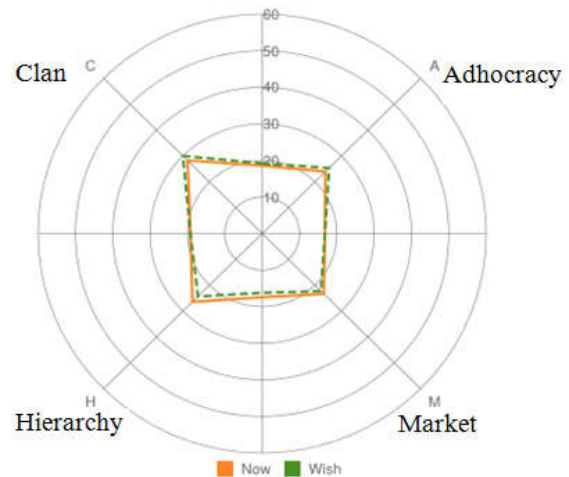
Source: Survey data analysis results

Figure 3. Desire for change of all employees about cultural model of Vietnam Airlines

Conclusions and Policy Implications

Organizational culture plays the key role in the survival and development of Vietnam Airlines. In generally, organizational culture values of Vietnam Airlines are evaluated by the employees as quite good, with a general rating of 3.917 / 5 points. Level 3 "Underlying Assumptions" is rated the highest, followed by level 1 "Artifacts" and finally level 2 "Espoused Beliefs and Values". The overall rating of the cultural values of the staffs is also higher than that of managers for all three levels of organizational culture of Vietnam Airlines.The overall of all employees evaluate the main organizational cultural model of Vietnam Airlines is now Clan culture model, followed by Hierarchy culture model and they look forward to strengthening Clan culture model and Adhocracy culture model. Managers of Vietnam Airlines look forward to

strengthening Clan culture model as well as Adhocracy culture model and reduce the Hierarchy culture model in their organizational culture. As the same that expectation, the staffs of Vietnam Airlines desire to promote more Adhocracy culture model and reduce the Hierarchy culture model. These results help Vietnam Airlines identify limited aspects of its organizational culture values for improvement such as improved architecture and infrastructure;These results help Vietnam Airlines identify limited aspects of its organizational culture values for improvement such as improvements in architecture and infrastructure; more attention to the personal and family life of the members; more promotion so employees are aware of their vision, business philosophy and mission. In addition, in order to create a consensus among members, Vietnam Airlines should to focus on developing a organizational culture model based on Clan culture and Adhocracy culture, maintaining the level of Market culture and restricting Hierarchy culture. Accordingly, Managers do not need to pay too much attention to the structure and control but to give more attention to the flexibility. Rather than setting up strict procedures and regulations, the leader should control activity through vision, sharing goals and outcomes with their subordinates so that they are more self-reliant in their work.

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