THE IMPACT OF ORGANISATIONAL CULTURE ON THE STRATEGY AND ORGANISATIONAL EFFECTIVENESS OF THE SWAZILAND REVENUE AUTHORITY

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ABSTRACT
In order that culture and organisation is more competitive and effective in the business environment, it is imperative that departments within the same organisation align themselves with the organisation’s values and vision. During a merger or acquisition different departments bring along with them assumptions which may thwart the overall effectiveness of the organization. Therefore, it is necessary that proper socialisation and induction becomes an important and cardinal facet of the organization, in order to ensure that the different cultures are dissolve during a merger.

The aim of this study was to determine the impact the cultural differences of the merged departments, (Department of Customs and Domestic Taxes) on the strategy and overall effectiveness of the Swaziland Revenue Authority (SRA) as it undertakes its mandate. Various factors influencing the culture of the departments had been identified in this study and how each element of culture impacts on the effectiveness of the organization.

Key Words: Impact; Organizational Culture; Strategy; Effectiveness; Revenue Authority; Business; Values; Vision; Merger; Acquisition; Socialization; Induction; Cultural Differences;

INTRODUCTION
The Swaziland Revenue Authority is a semi-autonomous organization established by the Government of Swaziland, in accordance with the Revenue Authority Act (RA 2008) for the collection and administration of all taxes and revenue in the country. It operates within the broad framework of Government but outside the civil service structure. It has its own Governing Board established within the aegis of the Revenue Authority Act, and as such, it is similar to the many other Revenue Authorities established throughout Africa in the last twenty years.

The Swaziland Revenue Authority (SRA) replaces the previous departments of Domestic Taxes and, Customs and Excise and it came into operations on the 01 January 2011 with its key tasks being to mobilize the collection of revenue for the Government. Currently it has a total of 500 staff members in its employ.
In any undertaking, organisational culture is seen as the main engine that drives an organisation towards its desired destiny, it enables competitive advantage for the organisation. The need for voluntary compliance with taxes requires that the SRA establishes some clear values and assumptions which must be adhered to by every member of the organisation and be seen as the way things are done within the organisation. Research indicates that a well-developed organisational culture can underpin stronger organisational commitment, higher moral, more efficient performance and generally higher productivity (Furnham and Gunter, cited in Andrzej and Buchanan, 2007: 625).

The study examines the impact of organisational culture on the strategy and organisational effectiveness of the SRA taking into consideration the fact that the organisation combines two diverse departments. These departments are expected to work together and achieve one goal, regardless of their background in terms of values and assumptions.

Limitations of the Research
Although this study aims to cover all aspects of organisational culture and its influence on the overall organisational effectiveness, there are a number of limitations to this research;

- This research will not examine the role of organisational culture on the creation and establishment of an organisational structure
- This research does not consider the impact of National culture and the external environment on the Culture, Strategy and organisational effectiveness.

LITERATURE REVIEW
Definitions:
Organisational Culture
In order to measure the impact of culture, however, we must first define it. Huczniski and Buchanan (2007:623) asserted that organizational culture is observed in the decors, the behaviour, and the layout and furniture arrangement. There are also those aspects of organisational culture that are not easily observable but are hidden, and most importantly, the nature of organisational culture is significant both for those who work in the organisation and also for customers and clients. They further alluded that cultures vary from organisation to organisation and affects the organisational performance; hence managers must control and attempt to change the culture when necessary.

Culture is prevalent in any organisation regardless of its size, structure and nature of business; it is the part of an organisation’s life that influences the behaviour, attitudes and overall effectiveness of employees (Gibson, Ivancevich, Donnelly, and Konopaske, 2010: 36)

Several definitions of organisational culture have been offered; some of the most prominent include:
Schein (2010:12) refers to organisational culture as a pattern of shared basic assumptions that the organisation learned as it solves its problems of external adaptation and internal integration, which has worked well enough to be taught to new members as the current way to perceive, think and feel in relation to those problems. The department of customs is more reactive towards problem solving compared to the Domestic Taxes department. Employees in the department of customs are prompted by customer queries for them to begin solving a problem, while the Domestic Tax employees are going an extra mile into discovering a potential problem and address it before tax payers can recognise it.

This definition shows that assumptions should have been tested and retested and should have worked well for the organisation to be considered the correct way of doing things around here.
Organisational culture involves shared expectation, values and attitudes; it exerts influence on the individual, group and organisational processes, (Gibson et.al, 2010:36). For instance if quality customer service (such as providing quick feedback to customers and depicting courtesy in dealing with customers) is important in the organisational culture, then individuals are expected to adopt this behaviour or if adhering to specific set of procedures is a norm then that type of behaviour would be expected, recognized and rewarded.

The attitudes of employees in an organisation is shaped and influenced by the overall organisational culture. Since values forms the bases of organisational culture, it is expected that those values must be communicated and understood by everyone concerned. The organisational processes for both individuals and groups are influenced by the shared values and expectations, hence an individual who had been oriented properly on the organisational culture is at all times expected to behave along the ambit specified by the organisational culture.

Hucznski and Buchanan (2007: 623) also asserts that organisational culture is a collection of relatively uniform and enduring values, beliefs, customs, traditions and practices that are shared by members of an organisation, learned by new recruits and transmitted from one generation of employees to the next. The department of customs shares a common practice of answering phones within three rings and are highly likely to return missed calls both to internal and external customers, whereas the practice in Domestic Taxes is a bit contrary, phones are answered but 5% of the total calls ring endlessly without an answer and there is lesser possibility of a return of missed calls.

This definition reveals that culture is not a once off thing, but is something that organisational members cherish and cling on for generations. They further described values as those things that have personal or organisational worth or meaning to the founders or senior management, they are typically based on moral, societal or religious precepts that are learned and modified through experience. The two departments share a common insight in terms of motivating and developing the moral and religious well-being of their staff members, they both make available time for devotions and provide emotional guidance during periods of misfortune from one of their members.

From these definitions, it can also be concluded that all organisations be it small or big, have something they share which can be considered and regarded as the right way of doing things around here. Culture forms the organisation and shapes the reasoning and performance of employees in the organisation. Organisational success and competitiveness are all reliant on a strong organisational culture; hence an organisation will be expected to create more value for its customers if members share the same vision and goals.

**Corporate Strategy**

Wheelen and Hunger (2006: 164) defined corporate strategy as a choice of direction for a firm as a whole and the management of its business or product portfolio. It includes decisions regarding the flow of financial resources to and from a company’s product lines and business units. This definition of corporate strategy had been amplified by Johnson & Scholes (2008:3) where they defined strategy as the direction and scope of an organisation over the long term which achieves advantages in a changing environment through its configuration of resources and competences with the aim of fulfilling stake holder expectation.

According to this definition, strategy tells the future of the organisation and it bears the importance of resources allocation (both human and financial) and relies greatly on the competence of the human resource to shape the future of the organisation. Both departments are
investing intensively in the development of their staff, where 10% of each department’s annual budget allocation caters for the aspect of training and development of staff members.

Corporate strategy is concerned with deploying the available resources to achieve the organizational objectives whereas tactics are concerned with employing them. Strategy will affect the overall direction of the organisation and establish its future working environment (Collis & Montgomery, 2004:8).

Corporate strategy defines the markets and the businesses in which an organisation chooses to operate. Competitive or business strategy defines the basis on which it will compete. Corporate strategy is typically decided in the context of the organisation’s mission and vision (what the organization does, why it exists, and what it intends to become), (Lynch, 2006:36).

It can also be looked at as the overall scope and direction of an organisation and the way in which its various business operations work together to achieve particular goals. Strategy incorporates the organisation’s knowledge and understanding of:

- Where the organisation is today—defined by the goods and services the organisation is offering to the market. In the case of the SRA, it means to specify the strategic position in terms of meeting the government’s targets with regards to revenue collection.
- Where it wants to be – this is normally embedded on the organisation’s long term goals and objectives. The SRAs goals are to: promote voluntary compliance with taxes, to build a strong and sustainable organisation and increase revenue mobilization
- How it wants to get there – this entails the formation of a formidable and firm organisational strategy to take the organisation to the level it wants to be. the SRA relies greatly on customer service and encouraging staff professionalism

For corporate strategy to be successful, the set goals, vision, mission and values of the organization must be communicated and adopted by all members of the organisation and be accepted as the rightful technique for future growth. Strategy is usually embedded on the organizations vision, mission and values;

The Vision – where the organisation would like to see itself in the future. Vision statement communicates both the purpose and values of the organisation. For employees it gives direction on how well they are expected to behave and it should inspire them to give of their best. Shared with customers, it can influence their attitudes on why they should work with the organisation.

It is a concise statement defining the organisations long term direction, what the organisation intends to become in say five to ten years’ time. It defines what the organisation is working towards. In effect, it says how the organisation would like to be thought of and remembered.

The SRA prides its self with its vision: “to be a modernized, Credible and customer centric revenue authority” which basically identify the future of the organisation in relations to its market and industry.
Values – are the guiding beliefs about how an organisation should operate. Core values reflect what is important to an organisation and they may well be a factor in how the overall vision is defined. They do not change from time to time and in the different situations and they underpin the culture of the organisation.

The SRA honours some core values which are identified through the entire organisation: Performance excellence, Customer Service and innovation.

The mission (why you exist) – it describes the organisation’s overall function (what is this organisation trying to accomplish) it defines the key measures of the organisations success. It should reflect the organisation purpose, value and intended market.

The Swaziland Revenue Authority’s mission is “to provide an efficient and effective revenue and customs administration, driven by professional and motivated staff, that promotes compliance through fair, transparent and equitable application of the law.”

According to Mintzberg & Waters (cited in Wheelen and Hunger, 2006: 204) there are five dimensions of strategy:

- Strategy as plan - a directed course of action to achieve an intended set of goals
- Strategy as a pattern – a consistent pattern to past behaviour, with a strategy realized overtime rather than planned or intended.
- Strategy as position – locating brands, products, or companies within the market, based on the conceptual frame work of consumers or other stakeholders; a strategy determined primarily by factors outside the firm
- Strategy as a ploy – a specific manoeuvre intended to outwit competitors
- Strategy as perspective – executing strategy based on a “theory of the business” or a natural extension of the mind set or ideological perspective of the organization

Although the SRA have no competitors on the services it provides, there is still a need to have a plan in hand on how to attain the desired goals and objectives.

Categories of Corporate strategy

There are three categories of strategy (Wheelen and Hunger, 2006: 164)

Organisational Growth Strategies - Involves the attainment of specific growth objectives by increasing the level of a firm’s operations.

Typical growth objectives for businesses include but not limited to;
- Increase in sales revenues
- Increase in earnings or profits
- Other performance measures

There are several levels of growth strategies:
- Concentration Strategies - A growth strategy where the firm concentrates on its primary line of business and looks for ways to meet its growth objectives through increasing its level of operation in this primary business. When a single-business organisation pursues growth, it is using the concentration strategy. The SRA aims to be innovative, hence have established another department, the Modernization department, whose purpose is to influence the turnaround in the operations of the organisation by modifying the current processes along the available technology.
Organisational stability Strategies - A strategy where the organisation maintains its current size and current level of business operations, it is appropriate when: Industry is in a period of rapid upheaval with several key industry & external forces drastically changing, making future highly uncertain; Industry is facing slow or no growth opportunities. Wheelen and Hunger (2006:176) suggested that a corporation may choose stability over growth by continuing its current activities without any significant change in direction. Above the establishment of the modernization department, the other departments have been established including; the Value Added Tax department and the Corporate department, this has seen the company hiring more staff recently.

Charles Handy (cited in Schein, 2010:51) linked organizational structure to organisational culture. He described four types of culture:

1. **Power culture**: concentrates power among a small group or a central figure and its control is radiating from its centre like a web. Power cultures need only a few rules and little bureaucracy but swift in decisions can ensue.

2. **Role culture**: authorities are delegated as such within a highly defined structure. These organizations form hierarchical bureaucracies, where power derives from the personal position and rarely from an expert power. Control is made by procedures (which are highly valued), strict roles descriptions and authority definitions. These organisations have consistent systems and are very predictable. This culture is often represented by a "Roman Building" having pillars. These pillars represent the functional departments.

3. **Task culture**: teams are formed to solve particular problems. Power is derived from the team with the expertise to execute against a task. This culture uses a small team approach, where people are highly skilled and specialized in their own area of expertise. Additionally, these cultures often feature the multiple reporting lines seen in a matrix structure.

4. **Person culture**: formed where all individuals believe themselves superior to the organization. It can become difficult for such organisations to continue to operate, since the concept of an organisation suggests that a group of like-minded individuals pursue organisational goals. However some professional partnerships operate well as person cultures, because each partner brings a particular expertise and clientele to the firm.

Both the department of Customs and Domestic Taxes depicts are culture characterised by delegation of authority based on a highly defined structure, this is the role culture.

**Schein’s model of organisational culture**
Organisational culture has been extensively researched by Schein and has concluded that it passes through **three levels** which ranges from very tangible overt manifestation that one can see and feel to the deeply embedded, unconscious basic assumptions that can be referred to as the essence of culture (Schein, 2010:21).
The three levels as shown in the model by Schein consist of: the artefacts, the espoused values and the basic underlying assumptions.

**The artefacts level**
Involves all the phenomenon which can be seen, heard and felt by an individual when encountering a new group with unfamiliar cultures.

At the first and most cursory level of Schein's model are organisational attributes that can be seen, felt and heard by the uninitiated observer - collectively known as *artefacts*. Included are the facilities, offices, furnishings, visible awards and recognition, the way that its members dress, how each person visibly interacts with each other and with organisational outsiders, and even company slogans, mission statement and other operational creeds.

The culture of the organisation can be seen in the manner in which it paints and brands both movable and non-movable assets. The furniture is branded in the same design as the company
vehicles and the headquarters building is painted in the same corporate colours of the organisation. All employees of the SRA have the same mind set in terms of dealing with customers whether internal or external.

Artefacts comprise the physical components of the organisation that relay cultural meaning. Denison (2006:123) describes artefacts as the tangible aspects of culture shared by members of an organisation. Verbal, behavioural and physical artefacts are the surface manifestations of organisational culture.

Rituals - are the collective interpersonal behaviour and values as demonstrated by that behaviour, constitute the fabric of an organisation's culture. The contents of myths, stories, and sagas reveal the history of an organisation and influence how people understand what their organisation values and believe. Language, stories, and myths are examples of verbal artefacts and are represented in rituals and ceremonies. Technology and art exhibited by members or an organisation are examples of physical artefacts.

**The espoused values**

The next level deals with the professed culture of an organisation's members - the values. Shared values are individuals’ preferences regarding certain aspects of the organisation’s culture (e.g. loyalty, customer service). At this level, local and personal values are widely expressed within the organisation. Embedded in the SRAs vision statement is the fact that they want to be a modernised, customer centric revenue authority, which all members are pushing into keeping that vision alive and implemented. Basic beliefs and assumptions include individuals' impressions about the trustworthiness and supportiveness of an organisation, and are often deeply ingrained within the organisation’s culture. Organisational behaviour at this level usually can be studied by interviewing the organisation's membership and using questionnaires to gather attitudes about organisational membership.

**The basic underlying assumptions**

At the third and deepest level, the organisation's tacit assumptions are found. These are the elements of culture that are unseen and not cognitively identified in everyday interactions between organisational members. Additionally, these are the elements of culture which are often taboo to discuss inside the organisation. Many of these ‘unspoken rules’ exist without the conscious knowledge of the membership. Those with sufficient experience to understand this deepest level of organisational culture usually become acclimatized to its attributes over time, thus reinforcing the invisibility of their existence. Surveys and casual interviews with organisational members cannot draw out these attributes—rather much more in-depth means is required to first identify then understand organisational culture at this level. Notably, culture at this level is the underlying and driving element often missed by organisational behaviourists.

Using Schein's model, understanding paradoxical organisational behaviours becomes more apparent. For instance, an organisation can profess highly aesthetic and moral standards at the second level of Schein's model while simultaneously displaying curiously opposing behaviour at the third and deepest level of culture. Superficially, organisational rewards can imply one organisational norm but at the deepest level imply something completely different. This insight offers an understanding of the difficulty that organisational newcomers have in assimilating
organisational culture and why it takes time to become acclimatized. It also explains why organisational change agents usually fail to achieve their goals: underlying tacit cultural norms are generally not understood before would-be change agents begin their actions. Merely understanding culture at the deepest level may be insufficient to institute cultural change because the dynamics of interpersonal relationships (often under threatening conditions) are added to the dynamics of organisational culture while attempts are made to institute desired change.

The Denison model of organisational culture
This model is based on over two decades of research linking culture to bottom-line performance measures. The Denison model was developed by Daniel Denison focuses on the link between organisational culture and bottom-line performance measures such as profitability, growth, quality, innovation, and customer and employee satisfaction (Harvey and Brown, 2006:60).

Beliefs and Assumptions
At the centre of the model are “Beliefs and Assumptions.” Each and every employee has deeply held beliefs about their organisation, co-workers, customers, competitors and industry. These beliefs and assumptions, and their associated behaviours, determine the culture of the organisation (Harvey and Brown, 2006:64). The Denison model and surveys allow us to reveal the underlying beliefs and assumptions in recognizable and measurable ways that impact organisational performance. This “deeper” level of Organisational culture is typically difficult to measure and harder to generalize about (Cook and Hunsaker, 2006:185). However, these underlying beliefs and assumptions result in organisational practices which are observable and which are represented by the four key traits of: involvement, consistency, adaptability, and mission.

Traits and Indexes
The Denison model answers four key questions about an organisation:

- **Mission:** Do we know where we are going?
- **Adaptability:** Are we listening to the marketplace?
- **Involvement:** Are our people aligned, engaged, and capable?
- **Consistency:** Do we have the values, systems and processes in place to execute?

The SRA has come up to develop strategies that determine where the organisation is going and how it will reach there. Thus some values, systems and processes have been developed and the organization is capturing the interest of the market they are servicing.

These are the traits in the Denison model. According to Cook and Hunsaker (2006:186) each of these organisational traits are further broken down into three indexes. These indexes describe specific behaviours in business language to make the results both relevant and actionable in your organization. Let’s take a closer look at each index.

**Mission:** Defining a meaningful long-term direction for the organisation.

- **Strategic Direction & Intent:** Do employees understand the strategies identified by the organisation and do they think the strategies will work?
• **Goals & Objectives:** Are there short-term goals that help link what employees do on a day-to-day basis to the strategy and vision of the organisation? Do employees understand how their job fits in?

• **Vision:** Do employees share a common desired future state for the organisation? Do they understand the vision? Does it motivate and excite them?

**Adaptability:** Translating the demands of the external environment into action.

• **Creating Change:** Can employees read the external environment and react to trends and changes? Do employees constantly look for new and improved ways to do their work?

• **Customer Focus:** Do we understand the needs of our customers? Are employees committed to responding to their ever-changing needs? Is customer focus a primary concern throughout the organisation?

• **Organisational Learning:** Is importance placed on learning in the workplace? Do we create an environment where reasonable risk taking and innovation can occur? Do we share knowledge across the organisation?

**Involvement:** Building human capability and creating a shared sense of ownership and responsibility throughout the organisation.

• **Empowerment:** Do employees feel informed and involved in the work that they do? Do they feel they can have a positive impact on the organisation?

• **Team Orientation:** Is teamwork encouraged and practiced in the organisation? Do employees value collaboration and feel mutually accountable for common goals?

• **Capability Development:** Do employees believe that they are being invested in and that their skills are improving? Is the organisation’s bench strength improving? Does the organisation have the skills it needs to be competitive today and into the future?

**Consistency:** Defining the values and systems that are the basis of the culture.

• **Core Values:** Do employees share a set of values that create a strong sense of identity and a clear set of expectations? Do leaders model and reinforce those values?

• **Agreement:** Is the organisation able to reach agreement on critical issues? Can employees reconcile differences in a constructive way when problems arise?

• **Coordination & Integration:** Do employees from different parts of the organisation share a common perspective that allows them to work effectively across organisational boundaries? Do they work to eliminate ‘silos’ and promote actions that are in the best interest of the organisation as a whole?

The departments have core values which their staffs is sharing and there is a certain level of coordination and integration, but the SRA is still working towards ensuring a high level of agreement with regards to critical issue of customer service innovation and use of technology to ensure effective collection of revenue.

**Dynamic Tensions**
Deal and Denison further noted that leaders, managers and employees often feel as though they are being pulled in different directions during the natural course of doing business. This push/pull or dynamic tension is normal and it forces the organisation to think about the external environment and internal operation while maintaining consistency and being adaptive. The
Denison model and surveys capture these dynamic tensions and offer valuable insight about how effectively we are managing them. Through a combination of various traits, an organisation can be seen to be Flexible and Stable or External focus and internal focus and can even be considered as Cross Patterns:

**Flexible and Stable**
- **Flexible (Adaptability and Involvement):** Organisations that are strong in these traits can change quickly in response to their environment. They tend to be successful at being innovative and satisfying their customers.
- **Stable (Mission and Consistency):** These organisations tend to be focused and have some level of predictability. They know where they are headed and have the tools and systems in place to get there. They create alignment that results in efficient, profitable performance.

**External Focus and Internal Focus**
- **External Focus (Adaptability and Mission):** Such organisations have an eye towards the market and are able to adapt and change in response to what they see. The result is the ability to grow as they meet the current and future needs of the marketplace.
- **Internal Focus (Involvement and Consistency):** Such organisations focus on the alignment of internal systems, processes and people of the organisation. High scores in Internal Focus typically predict efficient operating performance, higher levels of quality and increased employee satisfaction.

**Cross Patterns**
- **Top-down Bottom-up Alignment (Mission and Involvement):** Organisations must have a balance between the Mission (top-down) and employee Involvement (bottom-up). They need to learn how to link the purpose and strategies of the organisation to the shared sense of responsibility, ownership and commitment of the employees. When there is balance between these traits, we see effective two-way communication and an engaged, focused workforce.
- **Customer Value Chain (Adaptability and Consistency):** This is represented by the tension created between Adaptability, which is largely concerned with the market, and Consistency, which looks at the internal values, systems and processes. High performing organisations must be able to adapt and respond to the market and develop systems and processes that allow them to execute in a way that produces quality products and services.

With the inception of the SRA, there is much more involvement of employees in the creating of strategies and policies that shape the future of the organisation.

**The Link to Performance**
The Denison model is based on over two decades of research on how an organization’s culture relates to performance. Denison’s research has found notable links between organizational culture scores and important performance measures such as Profitability, (ROE, ROA, ROI), Growth (Sales Growth, Market Share), Quality, Innovation, Customer and Employee Satisfaction. We have been able to correlate the cultural traits of the model with performance metrics important to organisations.
The importance of organisational culture
Culture accounts for variations among organisations and managers both nationally and internationally, it helps to explain why different groups of people perceive things in their own way and perform things differently from other groups (Nelson & Quick, 2011: 46). Mullins (2006:808) emphasized that culture can help reduce complexity and uncertainly. It provides a consistency in outlook and values and makes possible the processes of decision making, coordination and control. This shows that organisational culture makes the work of managers easier in the organisation, with organisational culture, managers are able to control staff and make proper decision making. The stronger the organisational culture the lesser the need for policy manuals, organisational charts, or detailed procedures and rules because people along all levels know what they supposed to do in most situations because the handful of guiding values is crystal clear.
Kreitner and Kinicki (2005:74) alluded that organisational culture facilitates collective commitment among members of the organisation and also promotes the stability of the social system, and addresses the creation of a positive working environment and the management of conflicts and change. It shapes the attitudes and behaviours of members by assisting employees and teams in the understanding of their surroundings.
Figure 2.2 as shown hereunder depicts a model for the evolution of a positive culture within an organization and therefore, must be given serious consideration within an organization, in order that a positive culture evolves over time. Management has to pay serious attention to this aspect if it wants to be a winning organization.
Figure 2.2: A model for the evolution of a positive culture

Adapted from Gibson et.al, 2008: 41

Once organisational culture is formed it’s hard to change or alter. This is because cultures are:
- So elusive and hidden that they cannot be adequately diagnosed, managed or changed
• It takes difficult techniques, rare skills and considerable time to understand a culture and then additional time to change it.
• They sustain people throughout periods of difficulty and then serve to ward of anxiety. One of the ways they do this is by providing conformity and stability. Thus people will naturally resist change to a new culture.

**Changing Organisational Culture**

Building a culture that supports your strategy and drives performance is a journey, not an event, thus there are five phases that must be followed when culture is to be successfully changed.

• **Evaluate** – the first step is to assess the current state of your culture and other business performance drivers. This provides a baseline for the current state of the organisation, and identifies strength and weaknesses.
• **Envision** – based on the evaluation results, the culture is customized by developing a cultural blueprint. A culture task force is created to build the cultural blueprint that aligns Values – Behaviour – Outcomes.
• **Engage** – Executive and leaders are tasked with living the culture, earning trust, and connecting with employees. Culture change means behaviour change and before employees will feel comfortable changing, they must be confident in their leaders.
• **Equip** – provide leaders and employees with skills that build and sustain a winning culture and also drive performance and results. Personal breakthroughs drive organisational breakthroughs. Training employees on the new cultural direction will help equip them.
• **Execute** – the final phase is the intersection of culture and strategy as it relates to the daily execution of your business. Leaders and employees learn how to fully integrate culture into their day-to-day actions and responsibilities.

**Organisational Culture, Strategy and organisational effectiveness**

Corporate culture represents the professional values a company adopts that dictates it interest with employees, vendors, partners and clients. The mission strategy of an organisation is a summary of how the company perceives its role and the beliefs it uses to achieve its goals. Because the corporate culture is a driving force in how the company does business, it has an impact on developing business strategy.

Fey and Denison (2009:120) alluded that there is a strong relationship between organisational culture, performance and effectiveness. Alvesson (cited in Schein 2010:150) concluded that culture can be used as a tool for achieving higher performance and that culture seem to have some substantial influence on organisational strategy; he further suggested that organisational culture and business strategy are essentially synonymous. Business strategy is a product of culture, thus a fundamental part of managing strategy implementation process should take into account organisational culture.

Organisational culture has the potential to enhance organisational performance, employee job satisfaction and a sense of certainty about problem solving (Kotter, 2008: 136). If organisational culture becomes incongruent with the changing expectation of the internal and or external stakeholders, the organisational effectiveness can decline.

Bulach, Lunenburg & Porter (2012; 18), summarized the effect of organisational culture on performance and employee behaviour in four ideas.
• First, that knowing the culture of the organisation allows employees to understand both the organisational history and current methods of operation. This insight provides guidance about expected future behaviours.

• Secondly, that organisational culture can foster commitment to the organisational philosophy and values, which generates shared feeling of working towards a common goal. That is organisation can achieve effectiveness only when employees share values.

• Third, that Organisational culture, through its norms, serves as a control mechanism to channel behaviours toward the desired behaviours and away from undesired behaviours.

• Finally, those certain types of organisational cultures maybe related directly to greater effectiveness and productivity than others.

Changing organisational culture relates to a new strategic direction that the organisation wishes to follow.

Corporate culture provides the organisation with answers to issues of survival in its external environment, while effectively managing and regulating its internal affairs. The culture assists in making decisions to do with growth or decline of the organisation and adding or removing products or services, (Seyed, Yasha, Mohammandreza and Jams hid, 2012:288)

Situated at the core of the organisations key objectives, culture provides the sustaining reasons and rationale for its vision, mission, strategy and philosophies, it is the foundation of an organisations identity and also the bases of order, direction, and cohesion in setting and understanding its goals (where we want to be), its activities (how are we going to get there) and its behaviour (how we do things) and how they are related to each other.

**RESEARCH METHODOLOGY**

For the purposes of this study, qualitative research was used because of its exploratory nature, because the researcher wanted to obtain more information on the nature of relationship between the concept of organizational culture, strategy and effectiveness.

**Target Population**

Bryman and Bell (2007:182) defines population as the universe of units from which a sample is to be selected. The study population described as the source population from which cases and controls are selected. Bryman and Bell (2007:182) defines a sample as being the segment of the population that is selected for research –it is a true reflection of the population.

This research involves the analyses of the impact of organisational culture on the strategy and effectiveness of the SRA. The study population under investigation was the entire SRA employees in all the various departments that forms the organisation, this consist of 500 employees in permanent employment. Since this was a large population, the researcher was able to sample a total number of 100 employees, based on predetermined strata. A 96% success rate was achieved by the researcher because of active participation from the selected sample.

**Table 3.1: The Response Rate**

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<thead>
<tr>
<th>Research Instrument</th>
<th>Administered</th>
<th>Response</th>
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<tbody>
<tr>
<td>Questionnaires</td>
<td>90</td>
<td>86</td>
</tr>
<tr>
<td>Interviews</td>
<td>10</td>
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- This research will not examine the role of organizational culture on the creation and establishment of an organizational structure
- This research does not consider the impact of National culture and the external environment on the Culture, Strategy and organizational effectiveness.

The criteria for gathering data can also be viewed as a major source of limitation in the study. The researcher believed that other methods of data gathering should have been used such as observation to determine how employees behave in various situations and settings. Instruments were shown together with their advantages and disadvantages and why they were considered relevant in this study.

The next chapter presents the results, discussions and interpretation of the findings in the study.

RESULTS, DISCUSSION AND INTERPRETATION OF FINDINGS

The results
The research results have been presented and analysed along three main heading: The organisational Effectiveness, Corporate Strategy and Organisational Culture, and each section had been discussed along a relevant theory.

In which department do you work and how long have you been with the SRA

Table 4.1 Department and Period of employ

<table>
<thead>
<tr>
<th>Department</th>
<th>Customs</th>
<th>Domestic Taxes</th>
<th>Modernization</th>
<th>Corporate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Respondents</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>30</td>
<td>20</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Number of years</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than 5 years</td>
<td>Between 3-5 years</td>
<td>Between 1-3 years</td>
<td>Less than 1 year</td>
<td></td>
</tr>
<tr>
<td>% Participants</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40%</td>
<td>30%</td>
<td>20%</td>
<td>10%</td>
<td></td>
</tr>
</tbody>
</table>

A collective of 60% of the staff members have been with the organisation for a period of less than five years, while 40% have been in employment for more than five years. Some staff members have moved from one department to another as a result of internal transfers, for instance, from the Domestic Taxes department to Modernization and some movements from Domestic Taxes to Corporate. It is noteworthy that there had been lower exodus from the Customs department to other departments within the organization; this might be partly as a result of the compact nature of the culture in the customs department, in which members of the group are reluctant to separate from their counterparts.

The movement of staff from one department to another necessitated the integration of beliefs and behaviours among the departments, in which members of one department transfer their norms and beliefs in their interactions with the other departmental members. This has seen the cascade norms and behaviour patterns to newer departments such as the Modernization department. Culture is mainly created through the recruitment and socialization of like-minded individuals, (Gibson et.al, 2006:36), hence the movement of staff from one department to another reveals a pattern of recruitment where the hiring departments recruits those individuals they feel will blend well with their current state of behaviour.
Section A: Organisational Effectiveness
How effective is the department in meeting goals

**Figure 4.1** Effectiveness and goal attainment

The respondents agreed unanimously (a collective 88%) that the departments are very effective in attaining the set organisational goals and objectives. This is persuaded by the fact that there is the organization has one mandate to achieve, which is the maximization of revenue collection. As mentioned by Richard et al. (2009:10) that the effectiveness of an organisation is measured by the extent to which an organisation is effective in achieving the outcomes the organisation intends to produce.

There is however, a category of the respondents who specified that their departments are less effective in meeting the set goals, this came from the fact that organisational effectiveness is a difficult abstract to measure, (Richard et al., 2009:11). These individuals feel there is still some room for improvement, the organisation can perform more effective than it is at the moment, with the advent of new technologies the organization can attract more compliance in terms of taxes and become more effective than it is right now. Organisational goals can be effectively achieved through internal and external adaptation, where the organisation does not only focus on the welfare of the employees but also consider customers’ needs in the market.

**Is the effectiveness supported by the method used to reach goals?**

**Table 4.2** Effectiveness and methods used to reach goals

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>% Agree</th>
<th>% Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customs</td>
<td>30%</td>
<td>Non</td>
<td>10%</td>
<td>30%</td>
<td>10%</td>
</tr>
<tr>
<td>Domestic Tax</td>
<td>25%</td>
<td>5%</td>
<td>Non</td>
<td>30%</td>
<td>Non</td>
</tr>
<tr>
<td>Modernization</td>
<td>Non</td>
<td>20%</td>
<td>Non</td>
<td>20%</td>
<td>Non</td>
</tr>
<tr>
<td>Corporate</td>
<td>Non</td>
<td>10%</td>
<td>Non</td>
<td>10%</td>
<td>Non</td>
</tr>
<tr>
<td>Total (%)</td>
<td>55%</td>
<td>35%</td>
<td>10%</td>
<td>90%</td>
<td>10%</td>
</tr>
</tbody>
</table>

A collective 90% of the respondents agreed that their department’s effectiveness is a direct outcome of the strategy being employed in the departments to attain goals. As mentioned by
Johnson & Scholes (2008:3) that organisation effectiveness is linked to the strategy employed and an organisation is a good as the strategy used to attain set goals and objectives. This finding reveals that the organisation is able to develop a formable strategy that it employs to achieve goals, however, a good strategy only lasts for its useful life, meaning that even the most compact strategy requires modification and revision as the business environment changes.

An organisation needs to continuously monitor and evaluates its business environment to ensure that its strategy is relevant and targeted at the right direction. Thompson, Strickland and Gamble (2007:55), mentioned that the business environment is continuously changing thus managers need to audit the environment and assess the behaviour of the various parties such as customers, competitors and suppliers to ensure that their strategy is still relevant.

For the SRA, it is imperative to continuously conduct a PEST Analyses (Political, Economic, Socio-Cultural and Technological factors) because of the nature of service they provide to the public. The analysis will entail the development of an up-to-date technology in order to capture all the targeted groups within each tax bracket.

How can the tax compliance level be improved?

Figure 4.2  Improving Compliance

A collective 72% of the respondent asserted that the best option to improve the effectiveness of the organization is to shift the focus and concentrate more on the customers (be customer centric). Kotler and Armstrong (2006:545) asserted that a customer centric organization is one that focuses on customer developments in designing its marketing strategies and on delivering superior value to its target customers. The SRA needs to continuously identify new opportunities and set long term strategies, by monitoring customer needs and deciding on the emerging needs that are more important to serve. Being customer centric involves conducting a customer value analysis to determine what benefits their target customer’s value. Although the SRA provides a service certified by law, there is still a need to assess how customers value their service.

A collective 35% of the respondents agreed that the effectiveness of the organization can be improved by conducting and setting up more tax payer engagement campaigns. Being a new company, the SRA educate members of the public on their mandate through coming up with more advertising and promotion campaigns which will assist the organization in presenting its product to the public and have more customers complying in the long run. Customer education
and training is the most effective method of soliciting trust and obtaining immediate feedback from customers.

**Section B: Corporate Strategy**

**The strategy set is too demanding to achieve**

Figure 4.3  Strategy is too demanding

Corporate Strategy have been defined by Wheelen and Hunger (2006: 164) as a choice of direction for a firm as a whole and the management of its business activities. Every organisation regardless of the services it provides and the industry it operates in, develops strategies to achieve set goals and objectives. A collective 85% of the respondents agreed that the company’s strategy is realistic and achievable.

For an organisation to come up with an achievable strategy, it needs to conduct an internal analysis to determine where the organisation is at the moment, which is greatly defined by the goods and services that the organisation is offering to the market. For the SRA it’s basically specifying its position in terms of delivering the services as specified in the governments regulations. However, the most important aspect in internal analysis is where the organisation wants to be, this is where the strategy must be based.

The SRA is at the growth stage of the development life cycle; hence most of its strategies must be directional, focusing on growth, stability or retrenchment. The SRA has introduced new departments in its operations whose sole mandate is to govern and monitor the operations of the government, suggesting new relevant technologies that will help improve the effectiveness of the organisation in achieving its set goals.

**Training Programs are attended regularly and are enhancing organisational effectiveness**

Table 4.4  Training Programs and Effectiveness

<table>
<thead>
<tr>
<th>Department</th>
<th>Attend Training Regularly</th>
<th>Training Enhance Effectiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Agree</td>
<td>Agree</td>
</tr>
<tr>
<td>Customs</td>
<td>30</td>
<td>8</td>
</tr>
<tr>
<td>Domestic Taxes</td>
<td>20</td>
<td>6</td>
</tr>
<tr>
<td>Modernization</td>
<td>15</td>
<td>3</td>
</tr>
</tbody>
</table>
A collective 91% of the staff members consented that they attend training programs. Such an organisation can be considered a learning organisation, which according to Wheelen and Hunger (2006:9) is an organization skilled at creating, acquiring and transferring knowledge and modifying its behaviour its behaviour to reflect the new knowledge and insight. Organisational learning for the SRA is important because it enables innovation and new methods of service delivery.

It is worth noting that the training programs offered by the organization are very effective in enhancing the overall effectiveness of the organization. A total 69% of the respondents agreed that the training programs enhance their effectiveness while another 31% disagree. The aim of any training programs for every organisation is to enhance the overall effectiveness of the organisation, where the Return on Investment (ROI) should be higher. It is imperative to always review and modify training programs to ensure that participants are always obtaining value from training and improving the effectiveness of the organisation.

**How effective is the Vision, Mission and Values communicated to new staff members**

**Figure 4.3** vision, mission and values is communicated to staff

A collective 58% agreed that the Vision, Mission and Values of the organization are effectively communicated to new staff members. Wheelen and Hunger (2007: 12) defined a company’s mission as the purpose or reason for the organisation’s existence. It tells what the company is providing to the society and also puts into words not only what the company is now but what it wants to become. An organisation need to communicate its mission and vision to both the staff members and customers, with the level of effectiveness measured to ensure that members are knowledgeable of the core values, vision and mission of the organisation. The SRA developed its vision that it wants to be “a modernized, credible and customer centric revenue authority”, which requires interpretation to ensure understanding by new members.
Set values must be achievable and each member of staff must live up to them and ensure that they are aligned to the organisational values in all operations. The SRA has identified three core values which members should adhere to: Performance Excellence, Customer Service and Innovation, which must be communicated to new staff members and customers. The survey revealed that some members of staff feel the values, mission and vision of the organisation is never communicated, this defeat the purpose of the organisation because members are working without a proper direction. It is always imperative to effectively communicate the company’s future to both internal and external customers.

Are the various departments aligning to the Vision, Mission and Values of the organisation?

<table>
<thead>
<tr>
<th>Department</th>
<th>Vision Strongly Agree</th>
<th>Vision Agree</th>
<th>Vision Disagree</th>
<th>Mission Strongly Agree</th>
<th>Mission Agree</th>
<th>Mission Disagree</th>
<th>Values Strongly Agree</th>
<th>Values Agree</th>
<th>Values Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customs</td>
<td>65%</td>
<td>25%</td>
<td>10%</td>
<td>70%</td>
<td>25%</td>
<td>5%</td>
<td>77%</td>
<td>21%</td>
<td>2%</td>
</tr>
<tr>
<td>Domestic Taxes</td>
<td>80%</td>
<td>15%</td>
<td>5%</td>
<td>78%</td>
<td>18%</td>
<td>4%</td>
<td>85%</td>
<td>15%</td>
<td>0%</td>
</tr>
<tr>
<td>Modernization</td>
<td>52%</td>
<td>48%</td>
<td>0%</td>
<td>65%</td>
<td>33%</td>
<td>2%</td>
<td>70%</td>
<td>28%</td>
<td>2%</td>
</tr>
<tr>
<td>Corporate</td>
<td>65%</td>
<td>35%</td>
<td>0%</td>
<td>67%</td>
<td>32%</td>
<td>1%</td>
<td>80%</td>
<td>20%</td>
<td>0%</td>
</tr>
<tr>
<td>Average %</td>
<td>66%</td>
<td>30%</td>
<td>4%</td>
<td>70%</td>
<td>27%</td>
<td>3%</td>
<td>78%</td>
<td>18%</td>
<td>4%</td>
</tr>
</tbody>
</table>

The Vision specify the organisation’s future, where it wants to be in the future, the various departments of the SRA have agreed that they are aligning to the vision of the organisation. The SRA vision has been broadly defined; this prevents the organisation from restricting its self in its operations. It is a norm for departments to develop own vision, Wheelen and Hunger (2007:13) advised that such visions must be aligned to the main vision of the organisation.

Section C: Organisational Culture
Members participate in decision making.
Members of staff in the customs, modernization and corporate departments asserted to their participation in decision making processes, which according to Mehta and Krishnan, (2008; 145), fosters satisfaction and a high level of belongingness. They further alluded that the ultimate strength of organisations culture depends greatly on the level of satisfaction members obtain from the organisation. Participating in decision making enhances teamwork and cooperation which makes the culture of the organisation strong and have the likelihood of reducing the domination of a single figure in the decision making process, characterised by the concept of group think.

The survey revealed that 40% of the members of staff from the modernisation department are participating in the decision making process of the department, while a total 60% feels that they are being left out at the decision making process. Janis (1972:9) eluded that group think is more prevalent in situations where members are less participative, but simple follow suite in what prominent individuals dictates, the Domestic Taxes department is managed by few individuals who set the policies and never challenged by the subordinates. The sense of belonging is lost in such departments and employees have a low sense of security and safety, they don’t trust management, such situations are characterised by unrest and staff being pessimistic about the future and little alignment with organisational values, and control must be exercised through extensive procedures and bureaucracy.

**There is a proactive approach in problem solving**

![Figure 4.6 Approaches to Problem Solving](image)

Figure 4.6 Approaches to Problem Solving

- **Strongly Agree**: 60% for Customs, 30% for Domestic Taxes
- **Agree**: 55% for Customs, 60% for Domestic Taxes
- **Disagree**: 10% for Customs, 10% for Domestic Taxes
Organisational culture is more prevalent from the approaches adopted in the decision making process of the organisation (Schein, 2010:13). The Domestic Tax department is regarded as proactive in the approach to decision making while evidence from the research has revealed the contrary with regards to the customs department. Schein (2010:12) defined organisational culture as a pattern of shared basic assumptions that the organisation learned as it solves its problems of external adaptation and internal integration, which has worked well to be taught to new members as the correct way to perceive, think and feel in relations to those problems. It becomes a culture in the department to react to problems, where the Business Environment forces the organisation to consider a course of action after a phenomenon has occurred. Such situations can be dangerous in a competitive environment, (Kotler and Armstrong, 2006:247), where decision making process regarding the product to offer is crucial for market coverage. However, even the proactive, needs to be analytic of the environment in which they operate, for the SRA, proactiveness can be an advantage in dealing with the kind of customers the company have. Working towards a similar goal, it’s imperative to have these departments approaching the business environment in one method.

**Staff members are willing to go an extra mile to solve customers’ problems**

Figure 4.7  Solving customers problems

A majority of the customs department is reluctant to provide more information and assistance to customers, although part of the vision of the SRA is to be a “customer centric” revenue authority. Being Customer Centric entails knowing the product or services offered to customers and how customers react to such services in the market. The services of the SRA need to be more focused to the customers and members of the organisation must ensure that customers are satisfied in their dealing with the organisation. Customer centrism comes from the idea that customers comes first, thus all the services of the organization must be targeted at improving customer value, although the services provided is not competitive, customers must at least feel confident that their contribution to taxes will in the long run benefit them. Department’s needs to always provide enough and relevant information to customers to ensure satisfaction from the customers.
The department is encouraging a climate of transparency in dealing with customers

Figure 4.8  Transparency in dealing with customers

A collective 75% of the respondents agreed that transparency is encouraged in their departments. This is built from the mission of the organisation which state that it wants “to provide an efficient and effective revenue and customs administration, driven by professional and motivated staffs, that promotes compliance through fair, transparent and equitable application of the law. Transparency is important for the SRA because of the nature of their services, where members of the society want the organization to yield the benefits required from their contributions to taxes. Wheelen and Hunger (2007: 108) looked at transparency as the speed with which others can understand the relationship of resources and capabilities supporting a successful firm’s strategy. Transparency can be considered as a shared value that members of the department share, a behaviour mentioned in the model of culture developed by Schein; the espoused Values which can be felt when encountering a new group. Schein in his mode also discussed the artefacts, which includes the layout of offices and decorations, the transparency of these departments can be observed as the arrangement of offices where an open plan system is utilized.

**Induction training is effective is introducing new members into the vision, mission, and values of the SRA.**

**Table 4.6  Effectiveness of induction training**

<table>
<thead>
<tr>
<th></th>
<th>Customs</th>
<th>Domestic Taxes</th>
<th>Modernization</th>
<th>Corporate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Effective</td>
<td>23</td>
<td>17</td>
<td>5</td>
<td>4</td>
<td>49 (49%)</td>
</tr>
<tr>
<td>Effective</td>
<td>7</td>
<td>5</td>
<td>6</td>
<td>2</td>
<td>20 (20%)</td>
</tr>
<tr>
<td>Less Effective</td>
<td>6</td>
<td>1</td>
<td>5</td>
<td>3</td>
<td>15 (15%)</td>
</tr>
<tr>
<td>Not Effective</td>
<td>4</td>
<td>7</td>
<td>4</td>
<td>1</td>
<td>16 (16%)</td>
</tr>
<tr>
<td>Total Participants</td>
<td>40</td>
<td>30</td>
<td>20</td>
<td>10</td>
<td>100</td>
</tr>
</tbody>
</table>
A total of 69% agreed that the induction training program adopted by the SRA is effective enough to introduce new staff members into the culture of the organisation. Induction training program is an arrangement where new members of staff are introduced into the organisation, it is an encounter where recruits learns more about the deep things of the organisation including the Mission, Vision and Values. Gross and Shichman (cited in Gibson et al., 2008:41) alluded that the perfect method of maintaining an organisation's culture is through recruiting and staffing of link mined individuals and further communicating the norms and values of the organisation. Such behaviour, as the induction trainings, promotes a sense of oneness which contributes to a cohesive organisational culture.

Conducting induction training as an organisation assists in developing a sense of history where members of staff tell stories and elaborate on the history of the organisation, and new members are socialized into the organisation. Through the induction training the values and mission of the SRA is communicated to the new staff members effectively.

Staff members are willing to extend comfort to colleagues

Figure 4.9  Comforting colleagues

Members agreed that they are willing to offer comfort to colleagues during difficult times whenever the need arise. This is a shared value which members of the departments are passing from one generation of employees to the other through stories told and it has become the correct way of doing things around here.

Sharing sad moments is a taken for granted behaviour, but bonds employees together and enhance a sense of solidarity within the departments. Schein in his model of organisational culture referred to “Basic Assumptions” which members of a group share which although less visible and in most cases taken for granted, play a major role in shaping the behaviour of employees within the departments.
Members are involved in decision making, are encouraged to take risks and receive feedback for their actions.

**Table 4.7 Decision making, Risk taking and Feedback**

<table>
<thead>
<tr>
<th></th>
<th>Customs</th>
<th>Domestic Taxes</th>
<th>Modernization</th>
<th>Corporate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Agree</td>
<td>Agree</td>
<td>Disagree</td>
<td>Strongly Agree</td>
</tr>
<tr>
<td><strong>Participation in decision making</strong></td>
<td>60%</td>
<td>30%</td>
<td>10%</td>
<td>85%</td>
</tr>
<tr>
<td><strong>Risk Taking</strong></td>
<td>10%</td>
<td>35%</td>
<td>55%</td>
<td>90%</td>
</tr>
<tr>
<td><strong>Feedback</strong></td>
<td>15%</td>
<td>20%</td>
<td>65%</td>
<td>96%</td>
</tr>
</tbody>
</table>

Deal and Kennedy (1982:10) defined organisational culture as the way things are done around here. In terms of decision making, taking risks and getting feedback for the risk taken, there were mixed feelings from the respondents. 60% of the Customs department agreed that they participate in the decision making process, however, they failed to agree that the department encourages them to take risks and that they normally receive less feedback on the few risks they normally take.

The model developed by Deal and Kennedy, defined a process culture as a work environment characterised by slow feedback/rewards and low risk, where the focus is on security of the past and of the future. The customers department is more on the process culture.

The Domestic taxes agreed that members participate in the decision making process of the organization and that members are encouraged to take risk and frequent feedback is provided to employees. This department depicts a culture characterised by the “Tough-guy macho culture”, where there is rapid feedback/reward and high risk, the focus is on the present rather than the longer term future.

**Departmental performance is influenced by the structure and bureaucracy of the organization.**

**Figure 4.10 Influence of Structure on performance**
Organisational performance is measured by the degree to which goals are met. The departments agreed that their performance is influenced by the structure and bureaucracy of the organisation. This is built from the number of divisions within each department, where each division consists of its own authorities which must be observed before the higher SRA authorities.

An organisational culture model developed by Charles Handy, defined four main types of organisational cultures. The departments of Customs and Domestic Taxes are depicting a culture characteristic of a “Role Culture” in which authorities delegated within a highly defined structure. Hierarchical bureaucracies are formed, where power is derived from the personal position and rarely from an expert power. Control is made by procedures (which are highly valued), strict roles descriptions and authority definitions. Such organisations have consistent systems and are very predictable. This culture is often represented by a "Roman Building" having pillars which represent the functional departments.

Departments with such characteristics of organisational culture can delay effectiveness in the entire organisation because it takes long for decisions to be approved as a result of the bureaucracy.

There are a number of rules and policies including dress codes that staff members are expected to adhere to in their daily operations.

Figure 4.11 many rules and policies to adhere to

The departments agreed that there are a number of rules and policies that they are required to adhere to in the organisation on their daily operations which ensure the maintenance of a cohesive behaviour pattern from employees. The organisation developed policies on dress code which marks the manner in which members of the organisation appear, this separates and set apart the members of the SRA from other organisations.

Culture can be seen through the guidelines that an organisation formulate and attempt to pursue. The degree of commitment of employees to the organisation is normally seen from the manner in which members of the organisation observe such policies as set by management.

A number of respondents however, denied the availability of policies which guiding employees in their daily operations, such situations may occur when the available policies are not communicated to all members of the staff. In such cases, there is normally a likelihood of culture failure, where some members fail to adhere to the norms as specified in the policies.
The number of rules and policies makes it hard to change the way things are done in the department.

Figure 4.12  Rules and policies hinder change

The respondents agreed that the number of rules and policies hinder any attempt to change the manner in which things are done within their departments. This is mainly because policies and rules surrounds the culture of any organisation, and once culture is formed, it’s hard to change because culture is so elusive and hidden that they cannot be adequately diagnosed, managed or changed and that it takes difficult techniques, rare skills and considerable time to understand a culture and then additional time to change it. The major reason is that culture sustains people throughout periods of difficulty and then serves to ward off anxiety. One of the ways they do this is by providing conformity and stability. Thus people will naturally resist change to a new culture.

However, there is always a point where the current way of doing things must be assessed and revised to allow for new things in the organisation. With the changes in the business environment, organisations are expected to monitor and change their behaviour to suite the business change and this normally trigger a change in the way things are done in an organisation.

There is a strong relationship between organisational Culture, Strategy and Effectiveness.

Figure 4.13  Relationship between culture, strategy and effectiveness
A collective 85% of the respondents agreed that there is a strong relationship between the organisational culture, its Strategy and the effectiveness; this is because knowing the culture of the organisation allows employees to understand both the organisational history and current methods of operation. This insight provides guidance about expected future behaviour. Organisational culture can foster commitment to the organisational philosophy and values, which generates shared feeling of working towards a common goal. That is organisation can achieve effectiveness only when employees share values. Therefore the cultures of these departments serve as a control mechanism to channel behaviours toward the desired behaviours and away from undesired behaviours.

Corporate culture provides the organisation with answers to issues of such as survival in its external environment, while effectively managing and regulating its internal affairs. The culture assists in making decisions to do with growth or decline of the organisation and adding or removing products or services.

Situated at the core of the organisations key objectives, culture provides the sustaining reasons and rationale for its vision, mission, strategy and philosophies, it is the foundation of an organisations identity and also the bases of order, direction, and cohesion in setting and understanding its goals (where we want to be), its activities (how are we going to get there) and its behaviour (how we do things) and how they are related to each other. Thus if an organisation link its strategy to the culture, there is bound to be effectiveness in the operations of the organisation.

CONCLUSIONS AND RECOMMENDATIONS

Findings from the study
The findings from the study are discussed under two main headings: the findings from Literature Review and Findings from the Primary Research.

Finding from Literature Review
Corporate Strategy
Corporate Strategy is a choice of direction for a firm as a whole and the management of its business or product portfolio. It includes decisions regarding the flow of financial resources to and from a company’s product lines and business units, (Wheelen and Hunger, 2006: 164). It affects the overall direction of the organisation and establish its future working environment (Collis & Montgomery, 2004:8)

Corporate strategy defines the markets and the businesses in which an organisation chooses to operate. Competitive or business strategy defines the basis on which it will compete. Corporate strategy is typically decided in the context of the organisation’s mission and vision (what the organisation does, why it exists, and what it intends to become), (Lynch, 2006:36)

For corporate strategy to be successful, the set goals, vision, mission and values of the organisation must be communicated and adopted by all members of the organisation and be accepted as the rightful technique to the future. Strategy is usually embedded on the organisation’s vision, mission and values;

There are several categories of strategy (Wheelen and Hunger, 2006: 164), which include Organisational Growth Strategies -Involves the attainment of specific growth objectives by increasing the level of a firm’s operations.

Organisational effectiveness

According to Richard, Divenney, Yip and Johnson (2009:10) organisational effectiveness captures organisational performance plus the myriad internal performance outcomes normally associated with more efficient or effective operations and other external measures that relate to considerations that are broader than those simply associated with economic valuation (either by shareholders, managers, or customers), such as corporate social responsibility. Richard et al. (2009:10) also concluded that organisational effectiveness is the concept of how effective an organisation is in achieving the outcomes the organisation intends to produce

A number of factors have been identified by Richard et al. (2009:26) as affecting and influencing the effectiveness of an organisation: Strategic Factors – these factors communicates the strategic direction of the organisation, People Factors –is basically the extent to which the organisation integrates and involve its human resources in setting goals and Organisational factors –this factors looks at the culture of the organisation and the strategic deployment and leadership in the organisation.

Organisational culture

Organisational culture is a pattern of shared basic assumptions that the organisation learned as it solves its problems of external adaptation and internal integration, which has worked well enough to be taught to new members as the current way to perceive, think and feel in relation to those problems. Schein Edger H (2010:12)

The attitudes of employees in an organisation is shaped and influenced by the overall organisational culture. Since values forms the bases of organisational culture, it is expected that those values must be communicated and understood by everyone concerned. The organisational processes for both individuals and groups are influenced by the shared values and expectations, hence an individual who had been oriented properly on the organisational culture is at all times expected to behave along the ambits specified by the organisational culture. Schein Edger H (2010:20)
Organisational culture can be categorized in a spectrum of strong or weak cultures. Jones, George and Hill (2010:312). **Strong culture** is said to exist where staff respond to stimulus because of their alignment to organisational values **weak organisational culture** where there is little alignment with organisational values, and control must be exercised through extensive procedures and bureaucracy. Wherein a strong culture, people do things because they believe it is the right thing to do, and there is a risk of another phenomenon, groupthink. Groupthink - was described by Janis (1972:8)

Several model of organisational culture have been identified:

- Deal and Kennedy created a model of culture that is based on 4 different types of organisations. They each focus on how quickly the organisation receives feedback, the way members are rewarded, and the level of risks taken: **Work-hard, play-hard culture**: **Tough-guy macho culture**: **Process culture**: and **Bet-the-company culture**:
- Charles Handy (1976:74), linked organisational structure to organisational culture. He described four types of culture: **Power culture**: **Role culture**: **Task culture**: **Person culture**:
- Schein’s model revealed that culture passes through **three levels** which ranges from very tangible overt manifestation that one can see and feel to the deeply embedded, unconscious basic assumptions that can be referred to as the essence of culture: **The artifacts level, The espoused values and The basic underlying assumptions**
- Mullins (2006:808) emphasized that culture can help reduce complexity and uncertainty. It provides a consistency in outlook and values and makes possible the processes of decision making, coordination and control.
- It was also revealed that organisational culture has the potential to impact negatively on the effectiveness of the organisation in that it can create barriers within the organisation (Robbins 2009: 77).
- Organisational culture can be created through several methods: Recruiting employees who think and behave in similar ways to them, Indoctrinating and socializing these employees to the ideology and values of the organisation and Modelling behaviour for these employees
- Fey and Denison (2009:120) alluded that there is a strong relationship between organisational culture, performance and effectiveness. Alvesson (cited in Schein 2010:150) concluded that culture can be used as a tool for achieving higher performance and that culture seem to have some substantial influence on organisational strategy; he further suggested that organisational culture and business strategy are essentially synonymous. Business strategy is a product of culture, thus a fundamental part of managing strategy implementation process should take into account organisational culture.
- Organisational culture has the potential to enhance organisational performance, employee job satisfaction and a sense of certainty about problem solving (Kotter, 2008: 136). If organisational culture becomes incongruent with the changing expectation of the internal and or external stakeholders, the organisational effectiveness can decline.
- Corporate culture provides the organisation with answers to issues of such as survival in its external environment, while effectively managing and regulating its internal affairs. The culture assists in making decisions to do with growth or decline of the organisation
and adding or removing products or services, (Seyed, Yasha, Mohammandreza and Jams hid, 2012:288)

**Findings from the Primary Research**

There are four research questions to be answered by this research, thus the findings are categorized as per the research questions:

- What is the current culture of the SRA and how it impacts on the strategy and organisational effectiveness?
- What strategy is the organisation pursuing?
- How organisational culture and strategy relates to the effectiveness of the organisation?
- How can the organisational culture and effectiveness be improved?

**The current culture of the SRA and how it impacts on the strategy and effectiveness**

- Members of staff within the departments asserted to their participation in decision making processes. They further alluded that the ultimate strength of organisations culture depends greatly on the level of satisfaction members obtain from the organisation. Participating in decision making enhances teamwork and cooperation which makes the culture of the organisation strong.
- A majority of the staff members agreed that they are proactive in their approach to decision making, an organisational culture characterised by speed delivery of services.
- A collective 75% of the respondents from all departments agreed that transparency is encouraged in their departments. This is built from the mission of the organisation which state that it wants “to provide an efficient and effective revenue and customs administration, driven by professional and motivated staffs, that promotes compliance through fair, transparent and equitable application of the law. This improves the trust between the customers and the organisation.
- A majority of the staff members is willing to provide more information and assistance to customers, which align with the vision of the SRA of being a “customer centric” revenue authority. This entails knowing the product or services offered to customers and how customers react to such services in the market. The services of the SRA need to be more focused to the customers and members of the organisation must ensure that customers are satisfied in their dealing with the organisation.

**What strategy is the organisation pursuing?**

- A collective 85% of the survey respondents agreed that the company’s strategy is realistic and achievable. For an organisation to come up with an achievable strategy, it needs to conduct an internal analysis to determine where the organisation is at the moment, which is greatly defined by the goods and services that the organisation is offering to the market. For the SRA it’s basically specifying its position in terms of delivering the services as specified in the governments regulations. However, the most important aspect in internal analysis is where the organisation wants to be, this is where the strategy must be based.
- The SRA is at the growth stage of the development life cycle; hence most of its strategies are directional, meaning the firms overall focus towards growth, stability or retrenchment. The SRA has introduced new departments in its operations whose sole mandate is to govern and monitor the operations of the government, suggesting new relevant technologies that will help improve the effectiveness of the organisation in achieving its set goals.
How Culture and strategy relates to the effectiveness organisation

- A collective 90% of the respondents agreed that their department’s effectiveness is a direct outcome of the strategy being employed in the departments to reach goals. Organisations effectiveness is linked to the strategy employed and that an organisation is a good as the strategy used to attain set goals and objectives. This findings reveals that the organisation is able to develop a formable strategy that it employees to achieve goals, however, a good strategy only lasts for its useful life, meaning that even the most compact strategy requires modification and revision as the business environment changes.

- An organisation needs to continuously monitor and evaluates its business environment to ensure that its strategy is relevant and targeted at the right direction. Thompson, Strickland and Gamble (2007:55), mentioned that the business environment is continuously changing thus managers need to audit the environment and assess the behaviour of the various parties such as customers, competitors and suppliers to ensure that their strategy is still relevant.

How can the culture and effectiveness be improved?

- A majority of the respondent asserted that the best option to improve the effectiveness of the departments and the organization as a whole is to shift the focus and concentrate more on the customers (be customer centric). Kotler and Armstrong (2006:545) asserted that a customer centric organization is one that focuses on customer developments in designing its marketing strategies and on delivering superior value to its target customers. Clearly this involves continuously identifying new opportunities and set long term strategies, by watching customer needs evolve and deciding on the emerging needs that are more important to serve. Being customer centric involves conducting a customer value analysis.

- A collective 58% agreed that the organisation is effective enough in communicating and passing on the Vision, Mission and Values of the organisation. Wheelen and Hunger (2007:12) defined a company’s mission as the purpose or reason for the organisation’s existence. It tells what the company is providing to the society and also puts into words not only what the company is now but what it wants to become. An organisation need to communicate its mission and vision to both the staff members and customers, with the level of effectiveness measured to ensure that members are knowledgeable of the core values, vision and mission of the organisation.

Conclusions

From the research, it can be concluded that organisational culture depicts values a company adopts that dictates it interest with employees, vendors, partners and clients. The mission strategy of an organisation is a summary of how the company perceives its role and the beliefs it uses to achieve its goals. Because the corporate culture is a driving force in how the company does business, it has an impact on developing business strategy.

As Fey and Denison (2009:120) alluded that there is a strong relationship between organisational culture, performance and effectiveness, it can also be emphasised from the study that the culture of an organisation will always impact on the strategic direction which in turn impacts on the effectiveness of the organisation. Culture can be used as a mechanism and that business strategy is a product of culture, thus a fundamental part of managing strategy implementation process should take into account organisational culture.
Organisational culture has the potential to enhance organisational performance, employee job satisfaction and a sense of certainty about problem solving. If organisational culture becomes incongruent with the changing expectation of the internal and or external stakeholders, the organisational effectiveness can decline.

Changing organisational culture relates to a new strategic direction that the organisation wishes to follow. Corporate culture provides the organisation with answers to issues of such as survival in its external environment, while effectively managing and regulating its internal affairs. The culture assists in making decisions to do with growth or decline of the organisation and adding or removing products or services.

Situated at the core of the organisation’s key objectives, culture provides the sustaining reasons and rationale for its vision, mission, strategy and philosophies, it is the foundation of an organisation’s identity and also the bases of order, direction, and cohesion in setting and understanding its goals (where we want to be), its activities (how are we going to get there) and its behaviour (how we do things) and how they are related to each other. Thus organisational culture is very paramount to the success of the organisation.

**Recommendations**

A major recommendation surrounds the possibility of conducting an overall organisational culture audit, which will set and environment conducive to establish the culture the organisation desire. Most importantly the following are necessary:

**5.5.1 Indoctrinating organisational culture through the induction training**

- The SRA needs to develop and structure an induction program which will be effective enough to introduce new staff members into the culture of the organisation. Induction training program is an arrangement where new members of staff are introduced into the organisational culture. It is an encounter where recruits learn more about the deep things of the organisation including the Mission, Vision and Values and further communicating the norms and values of the organisation. Such behaviour, as the induction trainings, promotes a sense of oneness which contributes to a cohesive organisational culture.

- Conducting induction training as an organisation assists in developing a sense of history where members of staff tell stories and elaborate on the history of the organisation, and new members get socialized into the organisation. Through the induction training the values and mission of the SRA is communicated to the new staff members effectively, which will help shape the behaviour of the employees in the organisation.

**Improving staff participation in the decision making process**

- Members of the organisation need to feel that they are allowed participation in the decision making of the organisation, this will create a sense of belonging and employees will learn to own the outcomes of the decisions taken. Participating in decision making enhances teamwork and cooperation which creates a strong culture in the organization and helps in reducing the domination of a single figure in the decision making process, characterised by the concept of group think. Participation in decision making fosters cohesion among members of the organisation. Thus when members are less participative, sense of belonging is lost in such departments and employees have a low sense of security and safety, they don’t trust management, such situations are characterised by unrest and staff being pessimistic about the future and little alignment with organisational values, and control must be exercised through extensive procedures and bureaucracy.
Creating and improving a customer centric climate in the organisation

- The organisation needs to ensure departments aligns with its vision, since the effectiveness of the organisation depends on the extent to which members shift their focus and concentrate more on the customers (be customer centric). A customer centric organisation is one that focuses on customer developments in designing its marketing strategies and on delivering superior value to its target customers. Clearly the SRA needs to continuously identify new opportunities and set long term strategies, by watching customer needs evolve and deciding on the emerging needs that are more important to serve. Being customer centric involves conducting a customer value analysis by the SRA, where they need to determine what benefits their target customer’s value. Although the SRA provides a service certified by law, there is still a need to assess how customers value their service.

- Transparency as part of the customer centric culture is important for the SRA because of the nature of their services, where members of the society want the organisation to yield the benefits required from their contributions to taxes. Transparency can be considered as a shared value that members of the department share.

Areas for further research
The subject of organisational culture is very wide, thus it is hard to cover in a single report; areas of further research are available within the following areas which have not been touched by the researcher:

- The role of organisational culture on the creation and establishment of an organisational structure and how organisational culture impacts on staff motivation.

- The impact of National culture and the external environment on the Culture, Strategy and organisational effectiveness.

Conclusion
The findings from the research helped the researcher in establishing a connection with the research questions that were developed in the study. The study concluded that every organisation has a culture and an organisational culture impacts the strategy which in turn affects the effectiveness of the organisation. It has been established that some organisational cultures can be strong with time and make it hard for an organisation to execute some change initiatives, the degree to which a culture can be strong or weak, depends on the level at which teamwork and cohesion prevails in the organisation and the extent to which the values are communicated to new staff members as the correct way to behave and solve problems. The overall disagreements along some aspects of culture among the departments call for a sense of communication and dialogue to establish a single correct way of behaviour in the organisation.

BIBLIOGRAPHY