



THE LEADERSHIP ROLE IN THE ORGANIZATIONAL CULTURE CHANGE AT LOCAL SELF-GOVERNMENT INSTITUTIONS

Marika Miminoshvili

Faculty of Economics, University of Ljubljana, Slovenia
Kardeljeva ploščad 17, 1000, Ljubljana, Slovenia
mar_marusa@mail.ru

Abstract

Frequently being slow and low performing, local self-government organizations require a different leadership style for establishing new capabilities within the heart of the organization – its culture. Huge amounts of bureaucracy and government interference often undermine leadership, making harder to adopt, accept, and implement changes according to changing trends, technologies, customer/citizen preferences and future concerns. Taking the case of Siauliai District and Pardubice District Municipalities, the findings demonstrated that the municipalities are highly capable for change and flexibility, have cultures that are adaptive, but extremely consistent and predictable. The leaders follow a strategic plan, have clear goals, citizen oriented core values and employees have proper understanding of them. Likewise, they are engaged in a plethora of activities, have an appropriate background, and try to strive for further development and improvement, be followed up with the latest innovations. On other hand, lack of time, financial resources, empowerment and motivation, communication/relationship among departments or executives and employees, and information flow, to make sure that all employees are aware of the organization's situation, hinder reaching the goals and ideas of further development and implementation of changes to a larger extent.

Keywords: organizational culture, local government, leadership, Denison organization culture model, Denison leadership development model

1 INTRODUCTION

Eisenhower has maintained: "Leadership is the art of getting someone else to do something you want do because he wants to do it" (Hughes et al, 2006, p. 405). With the following notion, he gave an early definition of leadership that has strengthened coherence among leadership researchers in later decades. A Leadership Strategy can guide toward a common cause of building new capabilities within the heart of the

organization – its culture. The scholars and researchers agree that for implementing successful organizational changes, it is necessary to adopt, accept, and implement changes in the organizations according to changing trends, technologies, customer/citizen preferences and future concerns (Caetano, 1999). That is to say, leadership has to have influence over its employees/followers (Yukl, 2006) and that in order to manage a successful organizational culture the leader has to create engagement

among the employees and a willingness to make efforts for improvements and changes (Ekstam, 2002). However, a “special case” of local self-government institutions portrays the impression that change is significantly more difficult in government organizations than it is in the private sector (Claver, 1999), as they have the (perhaps) inaccurate stereotype of being slow, unresponsive, and low performing in comparison with the private sectors (Brewer, 2000). Thus, there is a reason to believe that leadership would look different depending on the type of the organization. Still, both sectors function on the principles of good governance, leadership and management. What separates them are the style and quality of leadership, and the amount of bureaucracy and government interference that often undermine leadership (Dartey-Baah, Amponsah-Tawiah and Sekyere-Abankwa, 2011).

Research has led to different leadership theories and leadership styles, such as trait approach, behavior approach, power-influence approach, situational approach and integrative approach etc. All of them have had varying popularity over time and the methods used have varied greatly (Yukl, 2006). On the other hand, this showed that leadership has been a difficult area to study since it tends to vary depending on the situation and the milieu in which the leader acts (Hughes et al, 2006). Very little literature can be found that discusses how leadership affects phenomena such as organizational culture, climate, and performance or describes the differences in leadership that occurs when acting in local self-government institutions (Lindberg, 1999; Senior and Fleming 2006; Gesell, 2010; Hoffmann, 2014).

The article is based on the premise that the performance of an organization is influenced by leadership and organizational culture, which result from the ways in which organizations adapt to the external environment and ensure internal integration (Yukl, 2006). Accordingly, the research methodology is based on the Denison model's two frameworks: The Organizational Culture Model and the Leadership Development 360 Model. Built on the same foundation, both models describe and highlight the need of the employees' internal integration and the importance of the external adaptation process (Denison, 2010). Thus, the main aim is to understand how the leaders influence an organization's culture and analyze their high abilities to help to achieve the organization's strategies and goals, to facilitate the changes necessary to achieve high-performance, taking the cases of Siauliai District and Pardubice District Municipalities. In addition, the research helps to find out what traits, abilities, and behaviors, sources of power and aspects of the situations helps to accomplish the set of the objectives for the organization and influence his or her followers.

The research is aimed to help understanding why change happens, how change happens and what needs to be done to make change a more welcoming concept. In particular, I hope that leaders and managers in organizations might appreciate this piece of research, which offers insights into different frameworks and ways of approaching change at an individual, team and organizational level.

To this end, firstly I provide an overview of recent theories that have examined core features of organizational culture, the major

differences of local self-government institutions, the role of executive leadership and value of Denison models that have a crucial role in the analysis of results. Next, I focus on the case study analysis of Siauliai District and Pardubice District Municipalities. Then, I discuss the results and present their implications. Finally, I conclude with limitations and future research directions.

2. LITERATURE REVIEW

2.1. The essence of organizational culture

Nowadays, we see an increase in the attention paid to organizational culture as an important determinant of organizational success. "Understand the culture to understand the organization" – stated Edgar Schein. While the link between organizational culture and organizational effectiveness is far from certain, there is no denying that each organization has a unique social structure and that these social structures drive much of the individual behavior observed in organizations. More simply, culture involves three basic human activities: what people think, what people do, and what people make. Further, several common properties arise: culture is shared, learned, transmitted cross generationally, symbolic, adaptive, and integrated (Maull, Brown and Cliffe, 2010).

Organizational culture is shaped by the variety of factors of the internal environment. It is based on the beliefs and philosophy, which explains why it is acting in its current form and not otherwise. Organizational culture is manifested by the attitudes of employees and the business principles that are declared by the management. Important components of organizational culture include (1) the company's ethical standards, (2) official

policy, (3) relations with various partners, (4) traditions, (5) control methods, (6) requirements for staff behavior, and (7) the atmosphere, which exists in the organization (Cartwright & Cooper, 1993; Boyle et al., 2001; Zammuto & Krakower, 1991).

Every organization has its own unique culture or value set, and different organization may have its own comprehension of culture meaning. The local self-government institutions have a classic, formal organizational culture, with strong bureaucracy, followed by their goals and specificity. Local government is defined as "a set of formal and informal rules, structures and processes which determine the ways in which individuals and organizations can exercise power over the decisions which affect their welfare at local levels" (Bovaird and Loffer, 2002, p. 16). Thus, the organizations of such institutions are of normative type; the activities are strictly controlled by the rules and procedures. The employees have proper working hours, job positions and scope of competences. Relations are formal; communication is insufficient both inside and outside the organization (Khan, 2000; Blair, 2000; Geddes, 2005).

On one hand, to the individuals as employees, such type of organizational culture offers security, safety, stability, is lacking any level of risk and gives opportunity to acquire professional expertise. Therefore, ambitious, power oriented person will not be satisfied with such kind of institutional work, as its more focus on methods, rather than on results (Geddes, 2005). As well, this type of organization will satisfy the leaders who prefer stability and safety and wants to be successful by performing their roles (Khan, 2000). On the other hand, although the fact

that internal crises, the appearance of modern technologies, new problems and new methodology for workforce are key drivers for change in the organizational culture, still the main disadvantage of public sectors can be rigidity and vulnerability to change, since the reactions to the changes in the external environment are slow and difficult (Ştefănescu, 2009).

Despite many advices related to change management, successful fundamental change is rare or unimpressive (Hirschhorn, 2002). Sirkin, Keenan and Jackson (2005) estimated that two out of three transformation efforts failed. The government has to implement improvement initiatives, in order to succeed in nowadays-changeable environment. It is important to have competition which stimulates the need to improve and growth. "Competition is healthy, you know. Some people would like the idea of no competition, so they can keep the position for the rest of their lives, but no, there has to be a kind of danger all the time. I think it is very healthy, it makes you better." (CNN, December 2009).

2.2. Leadership as background for organizational culture change

"Culture and Leadership, when one examines them closely, are two sides of the same coin and neither can really be understood by itself" –Edgar Schein.

In this dynamic environment, effective leadership becomes a key piece of the puzzle. Repeatedly, measuring leadership effectiveness has become increasingly more important for organizations. Research findings support the idea that culture influences leadership (Dorfman, 2004) and

vice versa (Bennis & Nanus, 1985; Kotter & Heskett, 1992).

However, changing an organization's culture is one of the most difficult leadership challenges. Paul Evans (2000) says that 21st century leadership of change issues is not simple; he sees modern leadership as a balancing act. He draws readers' attention to the need for leaders to accept the challenge of navigating between opposites. Leaders have to balance a track record of success with the ability to admit mistakes and meet failure well. They also need to balance short-term and long-term goals, be both visionary and pragmatic, pay attention to global and local issues and encourage individual accountability at the same time as enabling teamwork. Therefore, the leadership qualities are very important for organizational changes because it is most important to handle the resistance, confusion, exploration and commitment of management.

Leadership competencies have been defined as "the combination of knowledge, skills, traits, and attributes that collectively enable someone to perform a given job" (Zenger & Folkman, 2012, p. 83). However, leadership skills are not just about intellectual skills but managing people to perform tasks better. This is about providing equal and fair opportunities to the team. People must be lead with appreciation, opportunity and reasonable understanding. The vision of the leader must be always to achieve vision of an organization. Leaders attain this using their influence and arguments (Lamb & McKee, 2004; Ivancevich, Konopaske, & Matteson, 2007).

There are many great leaders born in this world that demonstrated different styles of

leadership (Avolio, Walumbwa, & Weber, 2009). Their charismatic and persuasive behavior proves to be a savior for organizations in its functioning. When using trait-based descriptions, leaders may be classified as autocratic, democratic, bureaucratic or charismatic (Santrock, 2007; Bell, 2013). If viewing leadership from the perspective of the exchange of power and its utilization to secure outcomes, leaders are situational, transactional or transformational (Charry, 2012; Lamb, 2013). Understanding these different tropes can provide a vocabulary for discussion that can lead to meaningful, desired results.

Leadership and change cannot be separated not in theory neither in practice as they are interdependent. Whatever the style, leadership of change in simple or more complex settings entails: building capability and capacity in a team through supporting employees to improve their talents (Weddle, 2013); creating conditions for learning to occur by ensuring personal and team working time (Ololube, 2012); creating a climate which encourages individual and organizational development through growing trust and confidence attitudes among employees (Ibara, 2010); emphasizing collaborative working by appreciating results of teams; providing a focus for effects of innovation and change (Bennis, 2004).

In fact, choosing the right style, at the right time in the right situation is a key element of leader effectiveness (Wolinski, 2010). That is not what most people do—they have one style used in many situations. It is like having only one suit or one dress, something you wear everywhere. Some styles overlap (i.e. charismatic and transformational); some can be used together (facilitative and team leadership);

others are used less frequently (strategic and cross-cultural); and some are polar opposites (autocratic & participative) (Ololube, Egbebor, Kpolovie, & Amaele, 2012).

2.3. Dimensions of organizational culture in the context of leadership expression by Denison Organizational Culture and Leadership Development Models

The model underlying the Denison Organizational Culture measurement is based on the four cultural traits of Involvement, Consistency, Adaptability and Mission. For each of these four traits, the model defines three indices of managerial practice, and then measures these twelve resultant indices. For instance, Involvement, the idea to encourage employee involvement and create a strong sense of ownership and responsibility, and to create informal, voluntary, and implied control systems, rather than formal, explicit, bureaucratic control systems, includes empowerment, team orientation and capability development. Consistency provides a central source of integration, coordination and control, develops a mind-set and a set of organizational systems, has highly committed employees, key central values and methods, and a clear set of do's and don'ts, includes core values, agreement, coordination and integration. Adaptability denotes the ability to perceive and respond to the external environment, to respond to internal customers, regardless of level, department or function and the capacity to restructure and re-institutionalize a set of behaviors and processes that allow the organization to adapt, includes creating change, customer/citizen focus, and organizational learning. Finally, Mission, which provides purpose and meaning by defining a social role and external goals, a

clear direction and goals that serve to define an appropriate course of action and its employees, includes vision, strategic direction & intent, and goals and objectives (Denison, 2012).

Over the past years, 360-degree leadership feedback has become an important component of leadership development and has become widely popular in organizations (Church, 2000). The instrument was developed to identify leadership strengths and weaknesses and to analyze skills and capabilities that are important for developing effective organizational culture (Denison, 2012). Following the previous model of Denison, as well current approach focuses on the same four but more broad traits (Adaptability, Mission, Involvement, and Consistency).

Both, the Denison Organizational Culture Model and Denison Leadership Development Model are based on a model of organizational effectiveness. Using tools, based on the same model of organizational effectiveness, create a direct line of sight between the common gateway of culture and leadership. Schein stated, that organizational culture is the values and beliefs shared by employees in an organization. Hence, while culture change is most successful when there is support from the top executives departments (Kotter, 1996), integrated analysis of Denison models helps leaders to develop the competencies needed to support the new strategy of the organization, as an integral part of initiating a meaningful cultural transformation (Kotter, 1999).

3. METHODOLOGY

The research methodology is based on a qualitative research strategy, which gives an understanding of underlying reasons, opinions, and motivations, provides insights into the problem and helps to develop ideas or hypotheses for potential quantitative research, aims to produce factual description based on face-to-face knowledge of individuals and uses in-depth studies of small groups of people to guide and support the construction of hypotheses (Denzin and Lincoln, 2003; Domegan & Fleming, 2007).

The research was carried out within the period from March until May of 2016. I decided to analyze and take as samples, Siauliai District and Pardubice District Municipalities, representors of Central and Eastern Europe, which have similar structure of the position and competencies of local self-government as of the system of public administration. Both municipalities' competences of the administration are carried out within the law and according legal standards (Škultéty, Andorová, Tóth, 2012; Jucevicius, 1996). The data were obtained by an interview, based on the questions designed by Denison Organizational Culture Model and Denison Leadership Development Model. The questionnaire consisted of open-ended questions and comprised 12 questions which were combined into 4 factors (organizational culture characteristics) and 13 indices (forces affecting the organizational culture), each factor including 3 indices. In the offered questionnaire, each index had 3-4 statements. All gathered interviews became eventually documents due to each interview was transcribed and converted into written form. A focus group discussion was used as

the research tool, which is a good way to gather together people from similar backgrounds or experiences to discuss a specific topic of interest. In this way, focus group, especially, which had semi-structured form, method was applied to make interview in the Siauliai District Municipality. Due to language barrier, the questionnaire was sent through an e-mail to the leaders/heads of the departments of Pardubice District Municipality.

Due to the main focus on the implementation of change among key informants, they were from both the administration and its structural units. Hence, the leaders/managers and specialists of the highest, middle and lowest levels of the administration, finance, economic and business, education, sport, personnel, technical services and technology, tourism, foreign relations, heritage, health and development of strategy management departments, as well basic employees were selected to participate in the interview for the research, because of an assumption that they will be the first ones to notice and evaluate approximate range of leadership influence on the process of change, and to identify these possible changes during research.

Research participants were fully informed and freely given all information about the purpose of the research, without any pressures or coercion. Anonymity and confidentiality of participants as well were central and certainly, trust was established with interviewees by pledging both personal and institutional confidentiality.

3.1. Presentation of case: Siauliai District Municipality

The Siauliai District is situated in the northern part of Lithuania. Its total area is 1807 km² and number of population is approximately 51 thousand. The administrative center of the district municipality – Siauliai; the town, however, has a status of a separate municipality, and therefore does not fall within the territory of Siauliai district municipality. The district is divided into 11 district heads (administrative units), included 7 towns are.

Siauliai Municipality strives to be a trend-setting, dynamic Municipality delivering quality services responsive to the demands and challenges of the community and their constitutional mandate, in which all stakeholders can participate in harmony and dignity.

The purpose of Siauliai District Municipality is to facilitate and coordinate the provision of sustainable infrastructure and services, thereby creating an enabling environment that allows the active involvement of the broader community in order to improve the quality of life of all Siauliai District residents.

The Siauliai District Municipality seeks to uphold and promote the values of responsiveness, transparency, collaboration, innovation, consultation, customer service and service excellence.

The community is Municipality's inspiration and workforce is their strength in the quest for community development and service delivery. Municipality therefore values: (1) Work pride; (2) Service excellence; (3) Integrity; (4) Loyalty; (5) Accountability; (6) Knowledge sharing.

3.2. Presentation of the case: Pardubice District Municipality

Pardubice District is an administrative unit of the Czech Republic, located mainly in the eastern part of its historical region of Bohemia, with a small part in northwestern Moravia. It is named after its capital Pardubice. There are a total of 451 municipalities in the region. Among these are 15 municipalities with extended powers and 26 municipalities with a delegated municipal office. 32 of the municipalities are classified as towns. The regional central offices are in Pardubice. As the largest municipality of the region is Pardubice with 888.98 km² and around 90,000 inhabitants, Pardubice District is the smallest district of the region but has highest population density.

Vision of the district of Pardubice, based on both of these approaches: vision's future status - should always build on the strengths of the city. Of course it must be true, ambitious, yet achievable and vision as a marketing tool - it should include "slogans" or formulations that are used for promotion of the city inside (the current citizens, entrepreneurs) and outside (tourists potential investors or residents).

The strategic plan is divided into five pillars: environment, territorial development and energy; transport and mobility; economy and well-being; public services and quality control center and integrated projects and EU funds.

The core values are the guiding principles that help Council and staffs achieves the vision and fulfill the mission. They include: always treat everyone with dignity and respect; perform the duties with integrity,

honesty and diligence; costumer-citizen focus service - focus on listening and supporting their needs, delivering high quality services and ensuring their satisfaction; integrity; conduct all the time in a manner that is ethical, legal, and professional, with the highest degree of honesty, respect and fairness.

4. RESULTS

4.1. Organizational Development and Goals: within the Mission Trait

A strong, clear organizational sense of mission affects all areas of its performance. A leader's first task is to create the conditions, which enable the employees to achieve good results. It is therefore important to define strategic direction and intent, objectives and goals, and create shared vision within the organization and make the employees understand these goals in order to be able to reach them together. The leader has to make sure that what was said also was understood by the employees. The human being does by nature only listen to what she or he believes is important. The same words have different meanings due to differences in gender, background and previous experiences (Ekstam, 2002, p.64-65).

The analysis shows that both municipalities work with the setting of goals, have clear understanding of their vision, good sense of direction, purpose, or long range planning. The focus is mostly long term with the looking ahead (See table 1). It is comprehensible for employees and they are well informed about the strategy, goals and directions that they are striving towards. The most important in goal setting process is

to decide what kind of projects they are going to focus on, as they concern about the public satisfaction and well-being, so they aim towards quality instead of quantity.

Tables indicate that the organization may have a difficult time executing or operationalizing its mission. As the long-term purpose of the organization is not very inspiring for most of the employees. Leaders said that it lays in their nature to have goals to develop, but sometimes they lack time and sources, as material funds, to fulfill all of

criteria's, objectives or goals which are set by the codex or law. The organization is changing too fast and it is hard to keep up. Informants say that this in turn has created anxiety among the employees because things are changing too fast and information flows are having a hard time to keep up. On the other hand, slowing down the organization could be to put a limit on the number of members allowed. Therefore, at the helm may be brilliant visionaries who have a difficult time translating dreams into reality.

Table 1: Organizational culture: mission

Dimension	Case	Statement
Vision	Siauliai	<i>“Organization has clear vision.”</i>
	Pardubice	<i>“Organization vision has long perspective, is defined till the 2025.”</i>
Goals & Objectives	Siauliai	<i>“Sometimes We have not enough time to solve and reach all goals and objectives, and often there is not enough money for that.”</i>
	Pardubice	<i>“Strictly follow their strategic plan.”</i>
Core Values	Siauliai	<i>“Strategy's implementation is buggy. Sometimes we are not going to the same direction, as our strategic process. It should be more detailed, concrete and real according Municipality budget.”</i>
	Pardubice	<i>“Strictly follow their strategic plan.”</i>

4.2. The work and relationship with the employees: within the Involvement Trait

Communication is one of the central competencies in leadership (Clutterbuck & Hirst, 2002). The communicator leaders work for an open dialogue and create involvement for the employees. Hence, he/she is a team-builder, knows that the results will be reached through employees and makes maximum efforts to fulfill the goals for organization success (Ekstam, 2002, p. 75). Ekstam writes that the leader as the

developer has to create the possibilities needed by the employees in order to develop; they will therefore be able to develop the organization, which they run together.

Analysis shows that there is not enough capability development and empowerment within municipalities (See table 2). This can be understood as an obvious signal for an organization in which people are disconnected from their work, unaware of its importance and its connection to the rest

of the organization, or as an indication that the organization does not trust capable employees of making important decisions

that influence their work.

Table 2: Organizational Culture: Involvement

Dimension	Case	Statement
Capability Development	Siauliai	<i>"It's funded, so happens not often. In general, one training has no result."</i>
	Pardubice	<i>"There are only investments within obligatory education of employees. We have conception of education, where employees, heads of departments, management are asked what they want and what they need, but finances can cover only education which is determined by law."</i>
Team Orientation	Siauliai	<i>"Teamwork is a bit complicated, because everyone wants to be first to carry out the tasks assigned to them. Sometimes colleagues ask for certain information at the time when you have a lot of work. Sometimes the delay in releasing the information, but not maliciously. However, if there is a joint project - teamwork is mandatory."</i>
	Pardubice	<i>"Major tasks are made individually."</i>
Empowerment	Siauliai	<i>"It's funded, so happens not often. In general, one training has no result."</i>
	Pardubice	<i>"There are only investments within obligatory education of employees. We have conception of education, where employees, heads of departments, management are asked what they want and what they need, but finances can cover only education which is determined by law."</i>

The leaders should have the ability to create a winning team. The genuine situation for cooperation is when the individuals are equally dependent on each other in order to generate good results, meaning that the individuals cannot be finished with their assignment before the whole group is, and the group will not be finished until all individuals are (Ekstam,

2002). In general, informants believe that there is a good working climate, relaxing atmosphere within organization where employees can have open dialogue and that a culture has been shaped towards the same goals.

4.3. Changes in the organization: within the Adaptability Trait

Organizations today have to develop in order to continue being competitive. However, it is undoubtable that only a healthy organization is able to develop, change and follow the changes in the environment. It is important that the leader let the employees and the environment be creative and that the leader is creative him-/herself.

The analysis of Municipalities revealed high ability to adapt to changes in internal and external environment. Thus, the employees are forced to react to changes that happen as in the external environment (to satisfy the needs and requirements of citizens, competition, etc.), so in the internal environment (introduction of new technologies, work organization, etc.). Both of the represented municipalities are citizens' oriented (See table 3). "There is e-democracy service in the municipality. Citizens can submit their requests, complaints, suggestions through it, without having to leave their home and get the answers in the same way." Though, Daniel Denison claims, that when customer/citizen focus concerns as main attention area

compare to other two traits, this tends to signify that the organization may be good at meeting citizens/customers' needs today, but probably are not preparing for what the citizens may need tomorrow. The organization tends to be one step behind the customer rather than one step ahead.

Asking question of how the employees are prepared for an organizational change, informants told that some employees consider the changes to be troublesome and others do not- "the innovation is always viewed with caution. It takes time. But our organization has e-services; specifically, the refusal of sending letters. It took for a while to get used to send letters in e-manner. Even today, there are employees who prefer and want to send mails, not e-mails, as they think it is safer and etc. Anyway, not only municipal workers are not enough quick to adopt innovations, but also institutions." A lot depends on information flow as mostly employees do not know what is going on; those employees who do not sit next to their managers feel that they get less information. It is difficult to reach everyone, but they work on it and try to be better to motivate and explain the reasons for a change and why it will benefit the organization.

Table 3: Organizational Culture: Adaptability trait

Dimension	Case	Statement
Costumer/ citizen focus	Siauliai	<i>"We have e-democracy, where citizens can submit requests, complaints, and suggestions and get answers in same way."</i>
	Pardubice	<i>"Research shows that we do."</i>
Creating Change	Siauliai	<i>"Innovation is always viewed with caution. It takes time to adopt and present. But depends on department – they've to follow all changes. But if innovation facilitates work and doesn't require special skills to complex – welcomed and accepted positively, if on contrary, perhaps have negative reaction, but will be used to."</i>
	Pardubice	<i>"Understanding the need of the change by the employees is in the process. Leaders should more push through shared values of the organization."</i>
Organizational Learning	Siauliai	<i>"Leader has to work as a leader, follow all innovations, and know how to work with people. He has to believe in himself, what he is doing, and people will trust him."</i>
	Pardubice	<i>"Understanding the need of the change by the employees is in the process. Leaders should more push through shared values of the organization."</i>

4.4. View on own leadership: within the Consistency trait

A leader directs and set the norms for the employees how they should act within the organization, and itself the employees have to see the leader as a positive person and the leader has to be a good example (Ekstam, 2002, p.17). It is important to understand that everything the leader send out to the employees about their performances and abilities will affect the employees' way of working and how they view their working tasks. A good leader has the ability to see possibilities rather than problems, has to be supportive, and to make the employees know that he/she believes in them, give the employees encouraging attention and make them know that he/she respect them as employees and as human beings.

The weakest part of organizational culture is a source of integration,

coordination and control. Its main impact is on quality and employee satisfaction what has an eventual impact on organizational culture performance. Analysis shows that employees perceive the departments as separate entities and not as part of a whole organization (see Table 4).

Agreement, Coordination and Integration are really on the bottom level, which means that the organization probably has good aspiration but becomes confused when conflict or different opinions arise. The problem would though be to make the employees to agree with leaders and to make them work in the same direction. One thing that leaders feel limited by is the time and money. The informants believe that employees have different skills and knowledge and the trick is to make those people into a well-functioning team; a leader should be able to lead, give orders, and influence the employees. Informants said, "It is nonsense to use magic to make them feel

comfortable; what they can do is to support and encourage them and to give them challenging and meaningful tasks which they just have to do." But otherwise, it is of high importance to have faith in others and others feel faith in them; this leads to

mutual trust and that people can risk a failure in order to grow. It is important to give others the opportunity to prove themselves and get the chance of succeeding with a task.

Table 4: Organizational culture: Consistency

Dimension	Case	Statement
Coordination & Integration	Siauliai	<i>"Employees are 100% involved in decision making process and can actively express their opinions about problematic issues. Teamwork is a bit complicated, but it's mandatory."</i>
	Pardubice	<i>"Employees are not involved in decision making or change process."</i>
Agreements	Siauliai	<i>"Teamwork is a bit complicated, but it's mandatory."</i>
	Pardubice	<i>"Teamwork is not main focus of our organization."</i>
Core values	Siauliai	<i>"Meeting needs of citizens, knowledge of their problems."</i>
	Pardubice	<i>"Employees has an ethical code that guides their behavior and tells them what is right and what is wrong."</i>

5. DISCUSSION

Implications for leadership and organizational studies are explored. The primary objective of this study was to model the interaction between organizational culture and change, delineating the ways in which a leader's knowledge of organizational culture affects the process of implementing change, and identifying the stages of the change process at which the interaction between organizational culture and change implementation holds functional significance. Likewise, it is worth noting that research did not compare any of leadership styles or approaches, as to understand which one is the best for organizations to both guide and implement any changes within organizational culture. Precisely, it enables leaders and employees to understand the impact of the culture on the organization's performance and learn how to redirect the

culture to improve organizational effectiveness.

5.1. Leadership role on the organizational culture change at local self-government institutions

In order to recognize the organization culture and examine the efficiency and need for changes to stay alive (Abrahamsen, 2000), awareness of organizational culture is an important step toward taking new actions and goals, as trying to create any change without taking the culture into account will be, unfortunately, failed.

Second sight is that transformation of the public organizations became priority issue, but should be mentioned that in times of challenge and change tasks faced by them started to be more and more complex. Author found out that should be taken into consideration means of conversion, as it faces new pressures to learn, innovate –

adapt and adopt rapid technological improvements and just keep up to promote new ways of organizing better service

delivery, increase citizens expectations, create new opportunities, threats and allow greater integration across the organizational limits (Mulgan, 2007; Leon, 2012; Mazzucato, 2013).

Third, and probably the most important point of view is that local government exists with already fixed objectives and goals, which will be deemed unrealistic without a "designated individual," such as leader (Fernandez, 2005). Hence, there is necessity strategically analyze usage of existing resources and capabilities of the organization to respond successfully to needful issues for changing expectations (Grindle, 2007). For this reason, the local authorities need leaders with a strong vision, identified objectives, and who are innovative and holistic to perform them in a credible manner. Put simply, they need the ability to plan, organize, build skills and competences, access information and resources, expand knowledge of employees, create new relationships and provide friendly respectful leadership, with support to follow up with real focus and determination to deliver results and public value through new information and generalization of fresh insights and ideas (Dunoon, 2002).

5.2. Organizational Culture and Leadership Role in Siauliai District and Pardubice District Municipality

Effective leadership provides high-quality and efficient services, a sense of cohesiveness, personal development, high level of satisfaction among employees; as well it contributes overarching sense of

direction and vision, healthy mechanism for innovation and creativity, and a resource for invigorating the organizational culture. (Hujala, Heikka & Halattunen, 2011).

The research data revealed that it is very important that organization has clear and strong sense of mission, well defined strategic direction and intent, objectives and goals, and aims to create shared vision within the organization and its employees. In this order, it is important that leader creates all necessary conditions which will make easier for employees to understand the goals and reach good results together.

From the analysis can be concluded that on one hand, the leaders allow employees to be part of the decision making process, but on another hand, they really do not care of the employees skills and knowledge, or simply, do not give them space and freedom to take responsibilities on their own, explaining this due to lack of financial resources. As well, it is shown that long-term strategic plan is not very inspiring for most of the employees. Hence, it is very important to understand that the leader is dependent on the employees since their performance run the organization and its success. Therefore, it can be stated that a leader's first task is to be driving force in the organization by giving employees positive energy, empower, develop, challenge, motivate and encourage them, take care of their ideas and experiences, supporting and noticing their efforts and results, which will lead employees' confidence to make realistic changes. However, the use of autocratic behavior leads to the employees uncomfortable adopting of the tasks and relationships, likewise lead to lower motivation.

Furthermore, it is very significant that leader has ability to create team spirit, willingness to cooperate among employees. Through communication skills leader should impress employees that any of the tasks or objectives cannot be fulfilled until the whole group will not be done, and as well, group cannot be completed, before individual will not be done. It is very important that leader could make clear that understanding and noticing others' contribution and shared minds will promote better solutions for the whole problem.

Further, the major part of informants agreed, that employees often complain during the change, do not understand that it is crucial and necessary and can have positive sides or benefits as well. In this sense, should be concluded that it is important that leader was innovative, creative, open-minded to break existing rules and regulations, think illogically and generate new ideas, brave and charismatic for informing employees about changes without scare of their resistance. Leader has to understand that human being only listen to what she/he believes is important. So it is necessary to make sure, that what is said also is understood by the employees. As due to differences in gender, age, background, and previous experiences, the same information can be considered differently.

Finally, I have concluded that it is important if the organizational culture is built on a foundation of trust. Almost all informants have mentioned that they feel necessary in good leadership, which should and could push them through some work, ideas, give incentives, directions, who will believe in himself and make them believe in the future. This therefore means that leaders of the organization have to be looked at as being trustworthy, smart,

enthusiastic, and motivated for all members of the organization, keep positivity towards change and take care of the employees' creativity and ideas. Likewise, they have to make sure that information flow works and that the employees are involved in the changing process, whether acting within or outside the organization. Informants as well have added that if leader believes that employees work because they are forced to, this will support unambitious, lazy and irresponsible attitude toward work. However, if the leader believes in employees, respects them as employees and as human beings, sees possibilities rather than problems, such a relationship will contribute to creative and productive work relations.

Research data revealed that the ability of leaders to organize a working and harmonious team and ability to create solid psychological atmosphere within the institution are the most important abilities. In the expression of the informants' the most important competence is creation of a confidence-building peaceful atmosphere, which is an important duty of the leadership competencies. Moreover, by building such a high-trust culture, leadership will succeed in establishing meaningful partnerships both inside and outside the organization with employees, central government institutions and the citizens all of whom are essential actors in its internal and external adaptation issues.

5.3. Limitations and Future Research Directions

The intentional focus of this research project was to better understand the role of leadership on the organizational culture change at local self-government organizations. This approach, however, does

raise considerations for interpreting the study data. Since the primary data is obtained via questions asked through interviews, I considered only twelve different features of Denison Organizational Culture Model. In addition to this, I also use a 3600 feedback instrument, the Denison Leadership Development 3600 Model, which helps to define the relationship between leadership, organization culture, and organizational effectiveness (Denison, Hoorberg, Lane, Lief, 2012). However, for collecting and analyzing data, other models or a combination of them could be used as well. For example, Harrison's culture model (Harrison, 1987), Deal & Kennedy's culture model (Deal & Kennedy, 2000), Schneider's culture model (Schneider, 1999), the competing values framework (Quinn & Rohrbaugh, 1983), Cameron & Quinn's culture model (Cameron & Quinn, 2011) etc. Another possibility would be to apply

another type of a qualitative method through a survey to avoid complicated or dual responses.

Additionally, since the questionnaire focused only on the interviewing informants from Siauliai and Pardubice District Municipalities, there may have been some self-selection bias among the respondents. Likewise, there was quite a misbalance among informants. On one hand, some respondents were newcomers; on other hand, others had years of experience, which itself enlarges challenges that they faced during their working years. Future research in this area might consider analyzing a bigger sample, or at least taking the case of the entire country in order to improve the understanding of what facilitates different leadership approaches at local self-government institutions and how they contribute to shaping employees' attitude toward organizational culture change.

EXTENDED SUMMARY / IZVLEČEK

Združbe lokalne samouprave so pogosto počasne in imajo nizko stopnjo uspešnosti. Zato je pomembno, da njihovi vodilni kadri posedujejo stil vodenja, ki omogoča zagotavljanje in pridobivanje novih zmožnosti. Take organizacije morajo posebno pozornost nameniti obnavljanju zmožnosti znotraj združbe, pri čemer ključno vlogo igra organizacijska kultura.

Vendar pa raven birokracije in vmešavanja vladnega ter institucionalnega konteksta pogosto onemogoča takšen stil vodenja in kulture, zaradi česar je težje sprememati in udejanjati spremembe povezane s spreminjačimi se trendi, tehnologijami, željami strank in razvojem v prihodnosti.

Glavni cilj članka je prispevati k razumevanju vpliva vodje na kulturo združb lokalne samouprave in analizirati zmožnosti vodij, ki omogočajo zasledovanje in doseganje organizacijskih strategij in ciljev za udejanjanje sprememb, potrebnih za zagotavljanje višje ravni uspešnosti. Omenjena analiza temelji na študijah primerov občin Siaulai (Litva) in Pardubice (Češka). Raziskava je usmerjena v odkrivanje dejavnikov (vezanih na lastnosti, zmožnosti, vedenja, vire in kontekst), ki vodjem omogočajo doseganje ciljev združbe ter vplivanje na zaposlene.

Namen članka je razumevanje odvijanja sprememb v združbah lokalne samouprave, predvsem z vidika dejavnikov in načinov udejanjanja sprememb na ravni posameznika, timov ali celotne organizacije.

Rezultati kvalitativne raziskave, opravljene s pomočjo intervjujev, so pokazali, da so občine zmožne udejanjanja sprememb in prilagodljivosti, posedujejo temelje prilagodljive kulture, vendar je kljub temu delovanje občin zelo predvidljivo in stabilno. Vodje sledijo strateškemu načrtu, imajo jasne cilje ter ključne vrednote, ki so usmerjene v lokalno prebivalstvo. Poleg tega so vključeni v številne dejavnosti, imajo primerno ozadje ter stremijo k nadaljnemu razvoju in napredku v smislu najnovejših inovacij. Po drugi strani jih pomanjkanje časa, finančnih virov, opolnomočenja in motivacije, komunikacije oziroma razmerij med posameznimi oddelki ali med izvrševalci in zaposlenimi, ter informacijskih kanalov za pretok informacij do zaposlenih, ovira pri doseganju ciljev ter zamisli o nadalnjem razvoju in udejanjanju večjih sprememb.

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