# Corporate Cultural Dimensions, Social Responsibility and Financial Performance

**Moslem Sabbagh Ziyarani**
MA in Accounting, Tarbiat Modares University, Tehran, Iran

**Sahar Sepasi**
Associate Professor, Department of Accounting, Tarbiat Modares University, Tehran, Iran
(Corresponding Author)
sepasi@modares.ac.ir

**Mohammad Ali Aghaei**
Associate Professor, Department of Accounting, Tarbiat Modares University, Tehran, Iran

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## ABSTRACT

Despite the impact of companies on society and stakeholders' expectations, organizations need to respond differently. According to Cameron and Quinn (1998), culture is defined as the core of set values, underlying assumptions, and defined interpretations and approaches in the organization. The context of competitive values is very instrumental in helping to organize and interpret a wide range of organizational phenomena. Four types of dominant hierarchical, market, clan, and adhocracy cultures emerge from these frameworks. This study aimed to analyze the relationship between corporate culture and financial performance as well as social and financial dimensions of social responsibility among listed companies in Tehran Stock Exchange. To this end, questionnaires were distributed to corporate executives, and the data on the corporate culture dimensions (Cameron & Quinn, 2006) as well as social responsibility were collected and the data related to financial performance were extracted from financial statements. Then, the effect of cultural dimensions on financial performance and social responsibility was investigated using collected data and modelling structural equations based on partial least squares. The results of statistical analysis of data collected from 73 companies suggested that the adhocracy and market dimensions of corporate culture have the most effect on social responsibility and financial performance of companies. Moreover, hierarchical culture had a positive and significant effect on the social responsibility of companies.

## Keywords:

Corporate culture, Social responsibility, Financial performance, Structural equations

## 1. Introduction

Due to tempting promises that culture may be key to boosting financial performance of companies, it has attracted considerable interest in both academic and business world. Authors and scholars have argued that organizations could create excitement through adopting cultural values, identify employee's expected behaviors, and increase their productivity. However, it has been criticized that the relationship between culture and performance has not been proved (Booth & Hamer, 2009). Companies of all sizes are competing for higher returns and market share. In order to maintain competitive power and even the survival of organization, executives must focus on the performance of companies. Therefore, they are looking for any positive or negative indices that could have an effect on the performance of the company. Recent studies have analyzed the role of corporate culture as an essential element for achieving success. These studies indicate that corporate culture is considered to be an important factor in the performance of companies. Implicitly, the idea is that there are effective or ineffective, weaker or stronger cultures, and that the right kind of culture affects the effectivity of the organization. In contrast, cultural differences within an organization could lead to differences in company's policies, and thus severely affect the economic growth of the organization. When elements of corporate culture are working on the basis of misunderstanding, the result is conflict and confusion, and as long as this conflict exists, the organization is likely to be ineffective (Banton, 2002). It is necessary for any organization to understand important factors that create a favorable environment for maximizing the value of shareholders. This is especially of great significance for organizations that have markets with economic crisis (Obradovich, 2009).

On top of financial issues that are important for companies, businesses must, for accountability and transparency, show social commitments throughout the organization and create the mentality that they seek the interests of society and environment. However, the key to addressing this issue is the lack of attention and commitment of many organizations to the concept of social responsibility, or if they pay attention to this concept, it is due to economic incentives and pressures (Dodji et al., 2014). The social responsibility of companies is indicative of a chance for environment and also for an organization since potential and real customers of the organization find a higher degree of trust in the organization due to humanitarian activities (Cicioc & Gabrea, 2014). Lazslo (2011) maintains that the reality of a new business is influenced by three interconnected trends of resource depletion, transparency, and increased expectations. Today, increased value is intimately linked with preserving natural environment, developing local society, and not excluding employees and customers, all of which are at the core of the workplace. In the context of transient economies, it is apparent that organizations with stronger cultures could better pursue changes, and their responsibilities will be more socialized as a result of these changes (Jackson et al., 2019). According to corporate culture, social responsibility of companies is often addressed through the ethical behavior of the audience. The method by which employees understand the social responsibility of the organization, is more likely to be an effort that influences their values and beliefs. Even though scientific discussion of corporate social responsibility is referred to as a collaborative and integrated process, it occurs in practice when senior managers dictate desired values, and without the involvement of employees, managers may have difficulty fulfilling their core tasks (Prutina, 2015).

## 2. Literature Review

### 2.1. Corporate Culture Dimensions and Financial Performance

In applied psychology, a particular experience has been gained from measuring corporate culture. The question arises among researchers about how to measure corporate culture, and which quantitative and qualitative methods are more valid and reliable for evaluating corporate culture (Igor et al., 2015). There are various models and measurements of corporate culture on the basis of the context of competitive values. The two models of Cameron and Quinn (1999) and Denison and Mishra (1999), are used more to explore corporate culture and the performance of organization, competing with each other in studying the frameworks of competitive values (Slaughter, 2015). The context of competitive values is one of the models of main corporate culture to study the relationship between corporate culture and financial performance (Slaughter, 2015). The context of competitive values has been established using a scenario suggesting how much respondents report their corporate culture. This scenario is considered both emotionally and cognitively, aligning the core of cultural characteristics. In this study, the most flexible measure of corporate culture has been employed, namely the corporate culture assessment tool of Kim Cameron and Robert Quinn (2006) (Yu et al., 2015). The theory of Cameron and Quinn (1998) includes analyzing two sets of cultural poles, namely flexibility versus stability and having internal focus versus external focus, and this group of research is aligned with the implicit perspective of organizational behavior in corporate culture typology. Flexibility refers the ability of an organization to adapt to internal and external forces, and stability is used to refer to the ability of the organization to remain stable, even when there is a downturn. The term 'internal focus' tends to be used to refer to the behavior of employees, systems, and processes within an organization, while external focus is used to refer to the ability of the organization to understand organization's external perspectives. They also have divided culture into four different kinds (Glaser, 2014). The classification of this research is into four categories of clan, hierarchical, market, and adhocracy cultures in terms of relationship between corporate culture and performance.

The following is the result of some research related to the topic of corporate culture and financial performance. Fekete & Bocskei (2011) showed that there is a negative relationship between hierarchical culture and the results of various performances such as financial performance using the corporate culture model of Cameron and Quinn as well as path model. They also stressed the positive effect of market, clan, and adhocracy cultures on the results of various performances. In another research, Glaser (2014) examined "the impact of corporate culture on the financial performance of companies by mediating organizational age". The aim of this study was to explore the relationship between return on assets and four behavioral models of corporate culture by Denison. According to the results, there was no significant relationship between financial performance and four cultural behaviors of Denison. Valenciaa et al. (2015) conducted a research entitled "the analysis of relationship between corporate culture, innovation, and performance in Spanish companies". The questionnaire of Cameron and Quinn was used to measure corporate culture and cognitive measures were used to measure performance, and the hypotheses were tested using hierarchical regression. The results are that adhocracy is the best predictor of performance and innovation. Slaughter (2015) studied the cultural effects of Denison on the efficiency of return on organizations' assets using Pearson correlation, ANOVA, and multiple regression analysis in a study entitled "the effects of culture on the financial performance of companies through mediation of organizational innovation". The results of this study indicated that organizational culture could affect the financial performance of companies.

Namamian and Feizollahi (2015) conducted a study to analyze the effect of corporate culture on the performance of organization with the mediating role of innovation in the industrial parks of Ilam using structural equation modelling technique. The results of this study suggest the positive and significant effect of culture on the performance organizations. Sadi et al. (2014) examined the relationship between corporate culture, the authority of financial management, as well as financial performance and social responsibility of companies. A test of hypothesis reveals a positive significant relationship between corporate culture, the authority of financial management, the performance of company in the environment, workplace, society, country, and capital market in relation to the social responsibility of companies at 95% confidence level. In an investigation, Kouchaki and Cheyrani (2016), studied the relationship between corporate culture and financial performance of manufacturing companies in Gilan province using regression analysis. The results of this study reflect that there is a positive and significant relationship between corporate culture and financial performance.

## 2.2. Corporate Culture Dimensions and Social Responsibility

Cameron and Quinn (2006) hold the view that a change of tools, techniques, and or strategies could lead to failure in an organization if the corporate culture of the organization remains the same with the changes. A number of empirical studies provide empirical evidence for this argument suggesting that successful implementation of cultural change towards social responsibility may to a large extent depend on ideological values and foundations of corporate culture which in turn affects the implementation of social responsibility and different types of observation results

(Yu & Choi, 2014). Considering the effect of corporate culture within organization, it would be logical to assume that it somehow influences the social performance of the company. Russo and Fouts (1997) claim that social responsibility of companies is defined by a climate of social responsibility culture in the organization. Jones et al. (1997) have gone beyond this viewpoint, emphasizing that social performance is a central aspect of corporate culture through interacting with stakeholders. The mechanism of how culture affects social performance of company is similar to determining how culture has an impact on other functions of business unit (Melo, 2012).

According to Stratmans (2007), social responsibility is a part of corporate culture and value in the environment of corporate culture. The requirement for developing social maturity is the intelligence, professional unity, social competency and human relations. The development of social responsibility is a change in values orientation whose task is to shape the evolution of the attitude of personal situation so that it is in line with the interests of the individual and the public (Waldman et al., 2006). Morsing and Vallentin (2011) state that social responsibility is not only the domain of senior managers but includes other factors at different levels of the organization to direct corporate commitment towards social responsibility. Thus, integrated form leads to a view of social responsibility of companies as a continuous process of learning, change and development which ideally affects the whole organization. Undergoing changes to reflect the principles of social responsibility means promoting and environment where employees can develop values and beliefs, in other words, supporting the culture of social responsibility (Prutina, 2015).

On the basis of organization theory, there are forces that play a role in creating organizational behaviors. The force of pressure is for following organized methods and complying with norms and rules, and this compliance is to reduce uncertainty by trying to model the methods adopted in the organization. Based on this theory, internal and external environments have an effect on the activities of organization. The external environment of the organization involves economic, political, and social outcomes that the organization should be aware of, in which case the organization receives support and legitimacy from the environment. Internal environment of the organization involves purposes, structures, and corporate culture formed in the organization. In all, organizational theory discovers how organizational structures and activities are shaped by the culture, policy, and the pressures of the society that surrounds it (Nerone et al., 2004).

Ubius and Alas (2009) carried out a research entitled “various organizational cultures as predictor of the social responsibility of companies” with the aim of examining the relationship between these two variables using ANOVA test as well as regression analysis in seven countries. The results of this study highlighted that each one of four cultural dimensions could predict social responsibility of companies. In an investigation, James (2011) studied the relationship between social responsibility practices and organizational culture in Indian industry using Karl Pearson correlation coefficient and regression analysis. The results of this study reveal that there is a positive and significant relationship in the effect of corporate culture on the social responsibility of companies. Melo (2012) analyzed the effect of corporate culture, top management authority, and financial performance on the social performance of companies on the basis of panel data regression. The results of this study indicate that a humanistic culture has a positive effect on the social performance of companies. Camelia and Gabrea (2014) studied the significance of social responsibility within organizations in Romanian companies in a study entitled “the social responsibility of companies - an integral part of corporate culture”. The results of this study reflect that those organizations that have more understanding of customers, the social responsibility of companies in those organizations is the integral part of corporate culture.

In a study, Moshabaki and Shojai (2010) examined the relationship between the Denison’s corporate culture and the social responsibility of organizations in the Ministry of Energy using ANOVA test. The findings of this study suggest that there is a positive and high correlation between the components of corporate culture and the social responsibility of organizations and that the mental model of employees is the most important component affecting the social responsibility of organizations. In a study using structural equations model, Abdullahi et al. (2013) studied the relationship between Denison’s corporate culture and the organizational social responsibility in a case study at Kurdistan Power Management Company.

The results of this inferential analysis indicated that, among the dimensions of corporate culture, compliance has the most influence on the social responsibility. Khamechi (2014) explored the effect of corporate culture on the social responsibility of insurance companies in Iran. The results of Pearson correlation test and multiple regression test has indicated that there is a positive and significant relationship between the dimensions of corporate culture and organizational social responsibility at 95% confidence level and all corporate culture dimensions were able to predict organizational social responsibility.

In this study, we first attempted to analyze the relationship between corporate culture and social responsibility as well as financial performance, then to evaluate the cultural dimensions of companies listed in Tehran Stock Exchange using Cameron and Quinn's corporate culture model. As such, based on theoretical foundations and previous research, the conceptual models of research are in the form of Figures 1-2 and 2-2.

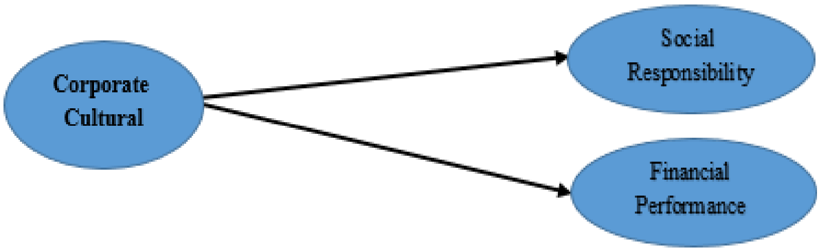


**Figure 1-2 : Conceptual Model for testing primary**

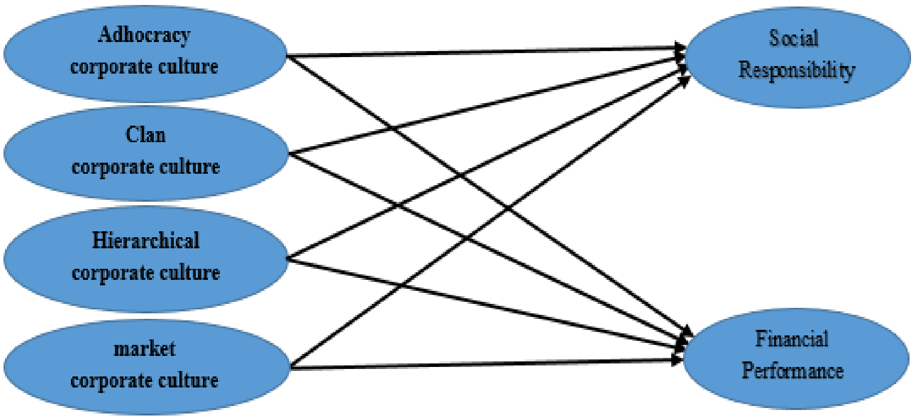


**Figure 2-2 : Conceptual Model for testing primary**

## 2. Research hypothesis

1) There is a significant relationship between corporate culture and the social responsibility of companies.
   1.1) There is a positive and significant relationship between adhocracy corporate culture and the social responsibility of companies.
   1.2) There is a significant relationship between clan corporate culture and the social responsibility of companies.
   1.3) There is a positive and significant relationship between hierarchical corporate culture and the social responsibility of company.
   1.4) There is a significant relationship between market corporate culture and social responsibility of companies.
2) There is a significant relationship between corporate culture and the financial performance of companies.

2.1) There is a positive and significant relationship between adhocracy corporate culture and the financial performance of companies.
2.2) Clan culture has a positive and significant effect on the financial performance of companies.
2.3) Hierarchical culture has a negative and significant effect on the financial performance of companies.
2.4) There is a positive and significant relationship between market culture and the financial performance of companies.

## 3. Methodology

This study was applied in terms of research objective and descriptive-correlational in terms of method and since quantitative necessary data was collected through the distribution of questionnaires among statistical population, it was a survey research. The statistical population of research included all of the active stock exchange companies, and the financial information as well as questionnaire has been provided in the year 2016. To analyze the data used in the research, SmartPLS2 software was used. Finally, variance based structural equation modelling was used to investigate research hypotheses. In this method, the sample size selection dependedto some extent on the level of appropriateness of factor structure and path coefficients that the researcher sought, and finally, 73 companies were selected as the sample size.

Independent variables of the study were the four categories of corporate culture, namely hierarchical, adhocracy, clan, and market cultures that have been collected using Cameron and Quinn's questionnaire. The questionnaires were distributed to the managers of sample companies. Dependent variables in this research were social responsibility and financial performance of companies. A specific questionnaire was used to measure the variable of the social responsibility of companies. In this questionnaire, the dimensions of environment, staff, customers, providers, and also the financial dimension of social responsibility have been considered. This part of questionnaire has also been distributed to the managers of the divisions of sample companies. To measure the financial performance of companies, the three financial indices of return on sales, return on assets, and the return on the wage of stockholders are used, which were extracted from the financial statements of the sample companies from the Central Exchange Library.

### Data Analysis Method

The data analysis method used in this research to test hypotheses, was the structural equations modelling methodology. Checking reliability and validity was done in two phases. In the phase related to measurement model fitting, combined reliability coefficient, factor loading coefficients, AVE coefficients as well as Fornell & Larcker method were utilized; and in the phase related to the fitting of structural model, use was made of two criteria of Z significance coefficients, and R Square criterion. Lastly, GOF criterion was used to examine the total fitting of the model (Esfidani et al., ۲۰۱۴). Regarding first-order structures, CR and AVE were calculated by the software itself and were presented in its output; but in the case of second-order structures and above, that is for the variables of corporate culture and social responsibility, CR and AVE were computed manually, the calculation method being as follows:

$$CR = \frac{(X)^2}{[1-(X)]^2 + (X)^2}$$

where x is a variance of error. Also, the value of AVE for a second-order variable equals to the average of the second power values of factor loadings of its dimensions. The criterion of GOF was invented by Tenenhaus et al. (2004) and is calculated by the formula:

$$GoF = \sqrt{\overline{Communalities} \times \overline{R^2}}$$

where $\overline{Communalities}$ is the indication of the average common values of each structure and $R^2$ is also the average value of R Square values of endogenous structures of the model (Rezazadeh & Davari, 2016).

## 4. Results

In the following, the results of the two models for testing primary and secondary hypotheses have been indicated. Figure 5-1 presents the standardized model of path coefficient with factor loadings of all questions greater than 0.4.

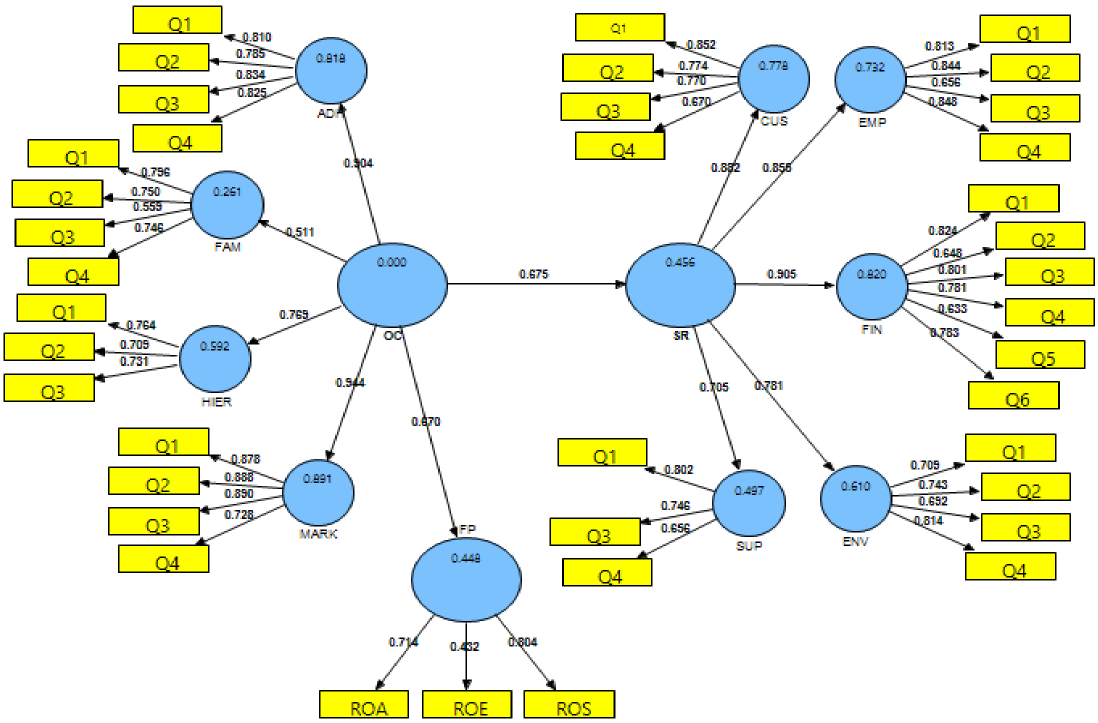


**Figure 5-1. standardized factor loading coefficients of primary hypotheses.**

Question 4 related to hierarchical culture and question 2 related to the dimension of providers have been removed due to low factor loading coefficients. These coefficients are just a part of reliability and in the following, all of the fittings must be checked to arrive at the standardized model of Figure 5-1. Table 5-1 and 5-2 demonstrate the results of the fitting of measurement and structural models suggesting reliability, validity, and goodness of fit of the standardized model of Figure 5-1. If the CR value for each construct is above 0.7, it indicates good internal consistency for the measurement models and the value of less than 0.6 shows the lack of reliability. Regarding AVE, critical value is 0.5 which means that AVE value above 0.5 indicates acceptable convergent validity. $R^2$ is a criterion that is used for connecting the measurement part to the structural part of structural equation modelling and shows the effect that and an exogenous variable has on an endogenous variable. The point at issue is that $R^2$ is only calculated for endogenous constructs (dependent) of the model and in the case of exogenous constructs, the value of this criterion is zero. The higher the value of $R^2$ regarding endogenous constructs of a model, the better the fitting of the model. The three values of 0.19, 0.33, 0.67 are introduced as the standard values for weak, medium, and strong values of $R^2$. Furthermore, considering the three values of 0.01, 0.025, and 0.36 as the weak, medium, and strong values for the goodness of fit of the model, respectively, the value of 0.608 indicates strong fitting of the model.

Another important criterion that is defined by divergent validity, is the degree of the relationship between a structure and its indicators in comparison with the relationship between that structure and other structures in such a way that acceptable divergent validity of a model suggests that a structure in the model has more interaction with its indicators than other structures in PLS. This analysis is done by a matrix whose cells contain the values of correlation coefficients between structures and the square root of the AVE values of each structure. The values in the original diameter must be greater than other values so that divergent validity be acceptable. Considering the results of Table 5-2, the model enjoys suitable divergent validity.

**Table 5-1 : Coefficients relates to the model fitting study**

| Constructs | | CR | AVE | Communality | R Square | GOF |
|---|---|---|---|---|---|---|
| OC | Corporate Cultural | 0/878237 | 0/889250 | 0/398915 | - | 0/608 |
| ADH | Adhocracy Corporate Culture | 0/886816 | 0/662141 | 0/662141 | 0/817906 | |
| FAM | Clan Corporate Culture | 0/807535 | 0/516105 | 0/516104 | 0/261277 | |
| HIER | Hierarchical Corporate Culture | 0/758071 | 0/540221 | 0/540221 | 0/591767 | |
| MAR | Market Corporate Culture | 0/910741 | 0/719686 | 0/719686 | 0/891307 | |
| SR | Social Responsibility | 0/917172 | 0/687201 | 0/395731 | 0/455743 | |
| CUS | Customers | 0/852125 | 0/591972 | 0/591972 | 0/778355 | |
| EMP | Employees | 0/871312 | 0/630902 | 0/630902 | 0/731722 | |
| ENV | Environment | 0/829197 | 0/549188 | 0/549188 | 0/610038 | |
| SUP | Suppliers | 0/761976 | 0/543525 | 0/543525 | 0/496630 | |
| FIN | Financial | 0/883422 | 0/560633 | 0/560633 | 0/819591 | |

**Table 5-2 : fornell-Larcker Matrix**

| Constructs | ADH | CUS | EMP | ENV | FAM | FIN | HIER | MAR | SUP |
|---|---|---|---|---|---|---|---|---|---|
| ADH | 0/815 | | | | | | | | |
| CUS | 0/626 | 0/769 | | | | | | | |
| EMP | 0/615 | 0/696 | 0/794 | | | | | | |
| ENV | 0/494 | 0/617 | 0/613 | 0/741 | | | | | |
| FAM | 0/286 | 0/249 | 0/297 | 0/160 | 0/718 | | | | |
| FIN | 0/512 | 0/755 | 0/682 | 0/602 | 0/234 | 0/748 | | | |
| HIER | 0/604 | 0/511 | 0/535 | 0/333 | 0/270 | 0/547 | 0/734 | | |
| MAR | 0/812 | 0/580 | 0/603 | 0/553 | 0/391 | 0/572 | 0/660 | 0/848 | |
| SUP | 0/227 | 0/571 | 0/505 | 0/445 | 0/124 | 0/613 | 0/272 | 0/151 | 0/737 |

After making sure that model is fully fitted, it is time to examine the partial fitting of the model or research hypotheses test itself. In this phase, the effectivity coefficient of each variable as well as their significance are analyzed. The most initial criterion for measuring the relationship between structures in the model (structural part), is the significance number of t. As has been shown in Figure 5-2, significance numbers from corporate culture to social responsibility and financial performance indicate the values of 16.542 and 138.199, respectively, indicating the accuracy of the relationship between structures, and thus confirming main research hypotheses. It should be noted, however, that the t-numbers represent only the correctness of relationships and the severity of relationship between structures could not be measured by them, so path coefficients must be used. According to Figure 5-1, the standardized coefficient between these variables suggest that corporate culture accounts for 67.5% of the changes in the variable of social responsibility and 67% of changes in the variable of financial performance.

In addition, to examine the effect and significance of secondary hypotheses, all of the first-order variables of corporate culture must be examined directly with the two variables of social responsibility and financial performance. As has been shown in Figure 5-3, significance coefficients are significant from the dimensions of corporate culture to the social responsibility of companies except for the dimension of clan culture. Moreover, significance coefficients are only significant in the dimensions of adhocracy and market culture from the dimensions of corporate culture to financial performance.

According to Figure 5-4, adhocracy culture has the path coefficients of 0.293 and 0.373, respectively, in terms of the degree of effect on social responsibility and the financial performance of companies indicating the severity of relationship and since their t-value is greater than 1.96, the variable of adhocracy culture has positive and significant effect on the social responsibility and financial performance of companies. Considering standard estimation, the second cultural variable that influences social responsibility and the financial performance of companies, is the variable of market culture that has the path coefficient of 0.255 and 0.249, and also the t-value of 2.377 and 2.324, respectively.

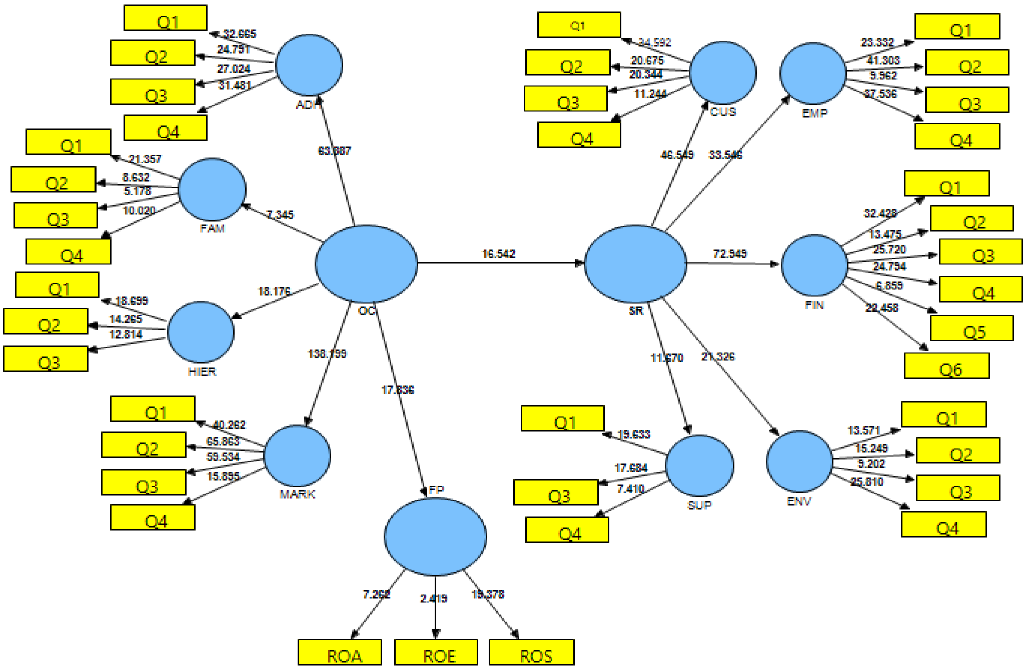


**Figure 5-2. significance coefficients of main hypotheses**

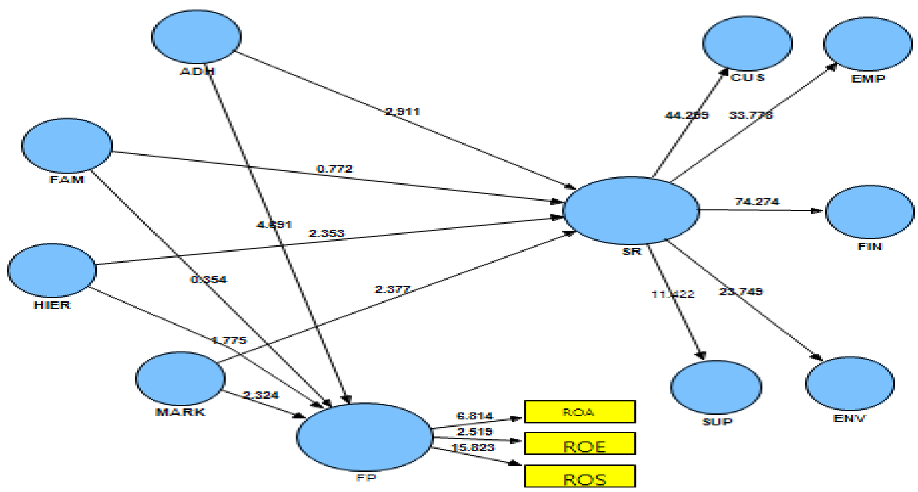


**Figure 5-3. significance coefficients of secondary hypotheses**

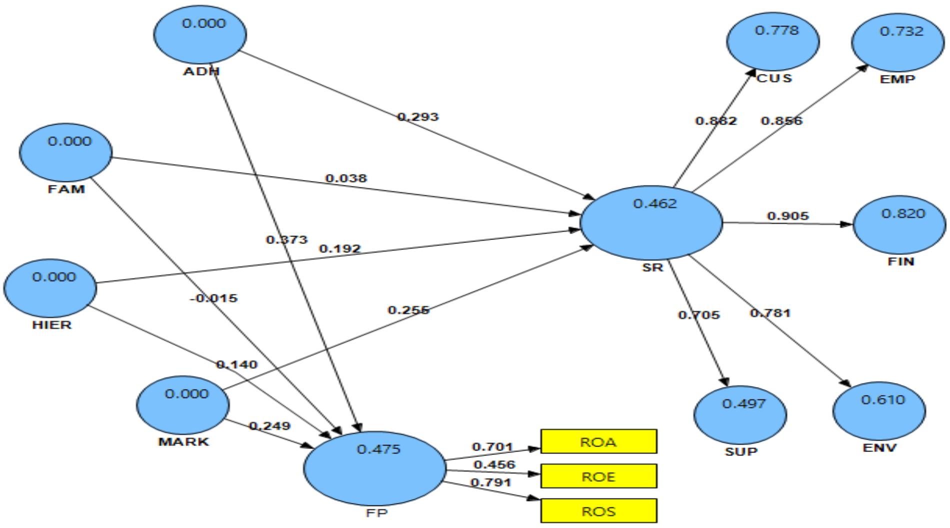


**Figure 5-4. the factor loading coefficients of secondary hypotheses**

**Table 5-3. The results of testing the hypotheses**

| Research hypotheses | Path direction | Path coefficient | T | Result |
|---|---|---|---|---|
| Main hypotheses | positive and significant effect of corporate culture on social responsibility | 0/675 | 16/542 | Confirming hypothesis |
| | positive and significant effect of corporate culture on financial performance | 0/670 | 17/836 | Confirming hypothesis |
| Secondary hypotheses | positive and significant effect of adhocracy culture on social responsibility | 0/293 | 2/911 | Confirming hypothesis |
| | positive and significant effect of adhocracy culture on financial performance | 0/373 | 4/691 | Confirming hypothesis |
| | positive and significant effect of clan culture on social responsibility | 0/038 | 0/772 | Rejecting hypothesis |
| | positive and significant effect of clan culture on financial performance | -0/015 | 0/354 | Rejecting hypothesis |
| | positive and significant effect of hierarchical culture on social responsibility | 0/192 | 2/353 | Confirming hypothesis |
| | negative and significant effect of hierarchical culture on financial performance | 0/140 | 1/775 | Rejecting hypothesis |
| | positive and significant effect of market culture on social responsibility | 0/255 | 2/377 | Confirming hypothesis |
| | positive and significant effect of market culture on financial performance | 0/249 | 2/324 | Confirming hypothesis |

Therefore, it could be argued that after adhocracy culture, the closer the cultural characteristics to the market culture, the higher the social responsibility and financial performance of the company. Hierarchical culture is the third variable in terms of path coefficient that has significant effect on the social responsibility of companies. Path coefficient of this variable is 0.192, so if the corporate culture tends to be hierarchical culture, it has the least positive impact on social responsibility compared to other cultural dimensions. However, considering the significance number regarding the relationship between hierarchical culture and financial performance, this relation is not significant. The effect of the variable of clan culture on the social responsibility and financial performance since t-value is less than 1.96, this hypothesis is rejected. Otherwise speaking, there is no statistically significant effect of the dimension of clan culture on social responsibility and financial performance.

Also, considering tables 5-4 and 5-5, all of the dimensions of social responsibility and financial performance are significant, which in general indicates a proper explanation of structures by dimensions.

**Table 5-4 : Ranking dimensions of social responsibility**

| Dimensions of social responsibility | Path coefficient | T |
|---|---|---|
| Customers | 0/882 | 46/549 |
| Employees | 0/856 | 33/546 |
| Environment | 0/781 | 21/326 |
| Suppliers | 0/705 | 11/670 |

**Table 5-5 : Financial performance dimensions**

| Financial performance variables | Path coefficient | T |
|---|---|---|
| ROS | 0/804 | 15/378 |
| ROE | 0/432 | 2/419 |
| ROA | 0/714 | 7/262 |

## 5. Discussions and Conclusion

The results of this study suggested that culture could increase social performance and responsibility or be an obstacle to both, depending on the values promoted by the culture. Organizations that have a greater understanding of customers and care about the well-being of society, environment, etc., have a higher corporate culture. Companies are able to maximize their financial performance by modifying their corporate culture in relation to their innovative strategies and to create innovative products and services, thereby creating positive social changes. These results were consistent with those of Slaughter (2015), and Namamian and Feizollahi (2015) regarding the effect of corporate culture on financial performance, and are in line with those of Jackson et al. (2011), James (2011), Camelia and Gabrea (2014), Moshabaki and Shojai (2010), Abdullahi et al. (2013), and Khamechi (2014) regarding the effect of corporate culture on social responsibility. The results of analyzing cultural dimensions indicated that in the studied organizations, adhocracy and market cultures are in a better condition than other cultural dimensions, respectively, meaning that organizations with higher financial performance and social responsibility have creative, innovative and entrepreneurial executives.

These organizations are looking for new ways to solve problems considering the cost-effectiveness of the product and its usability, risking their capital, while at the same time engaging in different activities. Other features of these organizations are adaptation to the environment; the point at issue is that organizations must first accept changes in the environment in order to accept changes in themselves. Nevertheless, many organizations resist change and try to keep the situation as it is, or act based on subjective assumptions. Whereas in organizations with high financial performance and social responsibility, the organization strives to adapt to what it has faced and to benefit from it to go through a phase of growth. Overall, it could be stated that more successful organizations adapt to rather than compromise and do not give in because they seek growth and competition in the marketplace and that growth requires adaptability. Those organizations that seek growth, in addition to internal cases, should improve the public image of the organization and provide society with a favorable view of organization. These organizations must actually demonstrate that they support social goals. Social responsibility is a plan and tool for the survival of organization, giving the organization a desirable image. Valencia et al. (2015), Deilami and Tayyebi (2011), and Root and Ubius (2009) introduced adhocracy culture as the best predictor of financial performance and social responsibility. Moreover, considering that there is no significant relationship between the dimension of clan culture and the social responsibility and financial performance of organizations, this may be due to the lack of coherence, lack of participation, lack of teamwork and group affiliation, lack of organizational commitment and ethics, lack of motivation and work conscience in the studied organizations. In the following, considering the coefficients of effect and significance of the social responsibility dimensions of companies, the most impact of corporate culture is on the financial dimension of the social responsibility of companies. The reason for this is that stakeholders pay more attention to financial matters and this has led companies with a stronger corporate culture to focus their attention to this dimension. Raising product guarantee, pushing down product price relative to its quality to increase sales and achieve greater profits, saving energy or replacing energy to boost company's profitability are the ways in which organizations seek to enhance company's financial dimension to attract stakeholders. Certainly, the major limitation of any research project could be attributed to the inability to generalize research results to other statistical communities. The present study was also no exception and generalizing the results to all of stock companies should be done with caution. Limitations on administering questionnaires in terms of sufficient accuracy in answering questions and biases that some of the members of sample may have in answering certain questions, are among other limitations of the present study. Finally, considering that managers play an integral role in creating a culturally appropriate climate, it is recommended that future research also consider the extent to which executives serve an organization, the age of managers, and their gender.

Furthermore, given the size and age of organizations under study, the impact of corporate culture could be considered considering these dimensions. Despite the impact of corporate culture on social responsibility and financial performance, future research suggests that the effect of subcultures should also be considered.

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