

Influence of Organizational Culture on Frequency of Disputes in Commercial Projects in Egypt: A Contractor's Perspective

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Abstract : Over the recent decades, studies on organizational culture have gained global attention in the business management literature, where it has been established that the cultural factors embedded in the organization have an implicit yet significant influence on the organization's success. Unlike other industries, the construction industry is widely known to be operating in a dynamic and adversarial nature; considering the unique characteristics it denotes, thereby the level of disputes has propagated in the construction industry throughout the years. In the late 1990s, the International Council for Research and Innovation in Building and Construction (CIB) created a Task Group (TG-23), which later evolved in 2006 into a Working Commission W112, with a strategic objective to promote research in investigating the role and impact of culture in the construction industry worldwide. To that end, this paper aims to study the influence of organizational culture in the contractor's organization on the frequency of disputes caused between the owner and the contractor that occur in commercial projects based in Egypt. This objective is achieved by using a quantitative approach through a survey questionnaire to explore the dominant cultural attributes that exist in the contractor's organization based on the Competing Value Framework (CVF) theory, which classifies organizational culture into four main cultural types: (1) clan, (2) adhocracy, (3) market, and (4) hierarchy. Accordingly, the collected data are statistically analyzed using Statistical Package for Social Sciences (SPSS 28) software, whereby a correlation analysis using Pearson Correlation is carried out to assess the relationship between these variables and their statistical significance using the p-value. The results show that there is an influence of organizational culture attributes on the frequency of disputes whereby market culture is identified to be the most dominant organizational culture that is currently practiced in contractor's organization, which consequently contributes to increasing the frequency of disputes in commercial projects. These findings suggest that alternative management practices should be adopted rather than the existing ones with an aim to minimize dispute occurrence.

Keywords : construction projects, correlation analysis, disputes, Egypt, organizational culture

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