The Role of Organizational Culture in Organizations

Silvia Mioara Ilie (Troi)

University of Craiova, Faculty of Economics and Business Administration, Romania silviailie28@yahoo.com

Abstract

In the process of transformations that take place in contemporary society, organizational culture is a major expression of the manifestation of the human factor. Being one of the factors that determine the performance and success of the organization's activity, culture is the essential and indispensable element for organizational progress. Research on the organization has outlined several models that provide a framework for deeper analysis of the concept of organizational culture are the people. But in an organization with an already formed organizational culture, it abstracts from people and becomes an attribute of the company, a component of it, which has a strong impact on team members, transforming their behavior in accordance with norms and values, which is its foundation. The purpose of this article is to analyze and prioritize the main components of the organizational culture from the perspective of employees.

Key words: organizational culture, philosophy, values, rules and regulations of conduct **J.E.L. classification:** M15

1. Introduction

Organizational culture is a subject of management, which is currently given great attention. Globally, interest in organizational culture began in the seventh decade of the twentieth century. The main indirect cause was the performance of Japanese companies explained to an appreciable extent by their specific culture.

The large number of definitions shows the special interest and volume of work that has been devoted by researchers to studying this concept, all convinced of the importance of knowing it, but they also show that they have different views on the phenomenon. The study of the organization's culture has gained more and more importance with the development of transnational companies, with the transition from general management to international management and then to global management.

Culture is a collective phenomenon because it is at least partially accepted by people who live and work in the same social environment where it was learned. In the context given by culture is meant the totality of ideas, values, traditions of a distinctive group of people.

Organizations have cultures *just as people have personalities*. Culture is the core of the entire organizational network. It influences and is influenced by strategy, structure, system, staff and skills. It is the identifying element of an organization. All organizations have their own individualized culture. The culture of a company includes its collection of almost instinctive organic beliefs and reactions, of negative heroes and characters, of achievements, of prohibitions and commands. Some of these, like human neuroses, are so deeply rooted that their origin is lost in the mists of past events, while others have living, visible causes.

The important aspect regarding the culture of an organization is that people can get better acquainted with the organization or even anticipate its behavior if they manage to understand the *chemistry* of its composition. Each organization is impregnated with values behind the technical rules, which produce a distinct identity of each organization. Organizational culture is an attempt to penetrate the experience, meaning, atmosphere, character or image of an organization.

There are various ways of approaching the organizational culture, many definitions of the term organizational culture have been formulated, each of them highlighting certain components of it: The traditions and beliefs of an organization through which it distinguishes itself from other organizations and which instills security and perseverance in an organization (Căprărescu, 2000); What people think about what deserves to be done and what doesn't (Morgan, 1999); The expression of people's intimate needs, an expression of endowing their life experience with meanings (Năstase, 2004); The model of beliefs and expectations shared by members of an organization that produce a series of norms that describe the behavior of members of the organization and the group (Genelot, 1998).

Thus, by organizational culture is meant: symbols, ceremonies and myths that express the values and beliefs specific to the members of the organization (Permortin, 2001). The culture of the organization is seen as an expression of norms and values, it representing that system of values and norms that distinguish one organization from another, detecting what is important for that organization.

The main objective of the research is to analyze and prioritize the main components of organizational culture from the perspective of employees

2. Literature review

The change in organizational culture can be determined by elements within the organization, including (Burduş *et al.*, 2008):

- ✓ the low performance of the organization in terms of quantity, quality compared to previous achievements, or the performance of other similar organizations, operating in the same field of activity and having a different organizational culture;
- ✓ insufficient involvement of employees in achieving the objectives of the organization, given that the other variables on which this involvement depends are similar to those of previous periods or to those found in other organizations;
- ✓ the high share of employees who no longer find satisfaction in the work process in that organization, or a confidence that they can achieve professionally;
- ✓ changing the management team, which is adept at other values, norms, rules and behaviors that it wants to impose on employees in order to achieve the objectives it has set.

Other elements that can trigger a change in organizational culture in an organization come from outside the organization, including (Hofstede, 1996):

- profound changes, such as revolutions, in the external environment of the organization, which lead to substantial changes in the values, norms, regulations that characterize that culture and which will have an influence on the functioning of the organization, including, or perhaps primarily on organizational culture;
- the deterioration of the organization's image in front of customers, partners or collaborators, due to the behavior of employees, the values or norms that they respect;
- diminishing the results obtained by the organization, due to its inadequate adaptation to the changes that took place in the external environment, in terms of technologies, customer relations.

The elements presented above are variables that can trigger a process of change, somewhat more radical and in a relatively shorter range of organizational culture. Next, we will approach this situation of culture change, as an approach in the form of a research, which should materialize in measures to strengthen the culture, in the sense of improving it (Hollway, 1991).

Apart from such an approach, which involves a methodology to follow, the management of an organization, consciously or not, will permanently influence the organizational culture, contributing either to a strengthening of that organizational culture, if the management is efficient, or to a worsening of the culture organizational, if the management practiced is deficient, if the managers are underperforming. However, the management of an organization puts its mark on the organizational culture over time (Johns, 1998).

The concept of organizational culture is fundamental for explaining critical phenomena in the functioning of organizations, phenomena such as creating the hierarchy of values on which depends the process of strategic direction of the system, establishing the paradigmatic framework of human

relations, interpreting time and space, configuring the information system or determining fundamental attitudes to the internal and external environment.

The development of the concept of organizational culture was also favored by the major reconsideration of the role that human resources play in the evolution of the organization. Organizational culture is considered to be the invisible force behind the easily observable and tangible things in an organization, it is the social energy that determines people to act in order to achieve organizational goals (Johns, 1998).

The organizational culture of a company is often compared to the personality of an individual, who meets the vision, meaning, direction, motivation and energy needed for evolution. Organizational culture responds to primary human needs such as the need for meaning, control, positive feedback, the need for stability and security or ideological needs that structure the purpose, direction, meaning of the organization and action accordingly (Kahler, 1997).

In the study of the culture of organizations we operate rather with the sociological perspective on the concept (set of notions and attitudes related to the life of the organization and the individual, the totality of ways of thinking, feeling and acting, patterns of behavior). Thus, from a sociological point of view, culture designates the way of life of a group of individuals. This way of life includes sets of social values that guide the directions of social change, everyday behaviors, linguistic symbols, religious beliefs, traditional formal behaviors and rituals, and the organizational climate (Hofstede, 1996). The field of study of organizational culture has a relatively recent history, the term organizational culture began to be used frequently in the '80s of the twentieth century (Căprărescu, 2000).

The interest in organizational culture is explained by the fact that at present the world community is marked by a myriad of large-scale processes such as globalization of the economy and computerization of society, which has led to the emergence of new forms and methods of organizing human activity.

3. Research methodology

The research involved 235 employees with management positions from various companies in Romania. Attention has been paid to the main components of organizational culture that influence the improvement of companies' performance. In this scop, the main components of the organizational culture from the perspective of employees were analyzed and prioritized.

The research method was based on the questionnaire and the size of the sample in this study was simply a random sample.

From the interview process of the managers of the organizations, using the questionnaire method, the components of the organizational culture can be highlighted: *Philosophy, Values and Norms and rules of behavior* (Table no. 1).

	Philosophy	Values	Norms and rules of behavior
1.	Basic profession	1. Honor	1. Confidential information and intellectual
			property
2.	Position held	2. Discipline	2. Conflictele de interese
3.	Age	3. Performance	3. Respectarea legilor antitrust
4.	Seniority in the organization	4. Reward	4. Protecția datelor și securitatea cibernetică
5.	Management style	5. Work	5. Compliance with internal laws, provisions
			and rules, standards and instructions

Table no.1 - Components of organizational culture

Source: Developed by the author through adaptation and processing after Căprărescu, 2000

Philosophy of the organization: the basic element that influences the entire organizational culture and that underlies its description and characterization for each organization is the philosophy of the organization, which comes mainly from top managers and refers to the characteristics imposed on the organizational environment, place and role employees by the respective managers, the ways to motivate the staff.

Values: values as strong preferences of individuals for a certain state, which address the desire of people and which are answers about how we would like to live, are also found in each organization and are related to the attitude of employees on various aspects of the work, such as it would be honest work, rewards.

Norms and rules of behavior: if values represent the states we tend to, norms show how we should live to manifest. Norms are embodied in regulations, rules of conduct that may be common to employees of an organization.

4. Findings

We found that 38% of the interviewed employees appreciated the main component of the organizational culture is *Philosophy* (Figure no. 1).

Figure no.1 - The importance of each component of the organizational culture



Source: developed by the author

The basic philosophy of the organization's managers is expressed through the basic conceptions, expressed through the personal opinions of the managers towards the employees, about the organization, about the clients, the state. The percentage of each element that forms the component of organizational culture - *Philosophy* is illustrated in Figure no. 2.

Figure no. 2 - The percentage of each element that makes up the component of organizational culture *Philosophy*



Source: developed by the author

In second place in importance, with 33%, was the component of organizational culture - *Values*. Figure no.3 shows the importance of each element that makes up the component of the organizational culture - *Values*.



Figure no. 3 - The percentage of each element that makes up the component of organizational culture Values

Source: developed by the author

On the last place was the component of organizational culture - *Norms and rules of behavior*, with 29%. Figure no.4 shows the importance of each element that makes up the component of the organizational culture - *Norms and rules of behavior*.





Source: developed by the author

5. Conclusions

Consciously or not, each organization possesses a culture that is more or less consolidated and situated on several levels. Organizations not only possess a culture, they are a culture. The culture of an enterprise is transmitted, it is learned, it is able to adapt, it is multiple, it is only partially conscious and it exceeds the level of the individual. Every enterprise has its own organizational culture, although it can be similar to other companies in terms of size, branch of activity, endowment. The organizational culture characteristic of each economic unit is formed and evolves as a result of the influence of a number of factors.

Through organizational culture, different rules, procedures, statements, statements or decisions are interpreted and, to a certain extent, even applied. Moreover, beyond the formal elements that try to establish in a centralized way a certain attitude and behavior for the members of the organization, the organizational culture creates and develops itself certain behavioral models that may or may not be in line with the official versions. Most of the time, a large part of the elements

that make up the organizational culture are intangible, unwritten, but with a particularly high power of influence.

The culture of an organization is indisputably and inextricably linked to organization and leadership in the sense that the latter two produce a culture, and culture in turn influences them. Therefore, culture, organization and leadership are in a relationship of interdependence, dynamic, interactive.

Strengthening the organizational culture can be a long-term goal of an organization's management, so an almost permanent concern of it, but changing the culture can be seen as an approach with some urgency imposed by certain factors that trigger such activity.

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