Management of Organizational Culture –
Achievements So Far and Challenges Ahead

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Abstract

The purpose of this study is to present the changes experienced in the field of organizational culture, and also an inquiry regarding to the future of organizational management. Although the organizational culture is a social concept, the present work analyses the organizational culture (OC) as an economic phenomenon, through the prism of its influence to companies´ performance, giving them a competitive advantage.

The article carries out a qualitative analysis for the theory of organizational culture management (OCM). In a first stage, are brought to the fore a series of definitions and understanding about the notion of OC and its influence on the organization´s performance. Summarise, OC is defined as the sum of all the meanings that members attach to a set of interconnected experiences that they have at job. This synthetises the totality of all the basic assumptions and values that guide the organization entire life. Following is a brief presentation about the specialized literature and an overview of the study and the concern of OC, but also an exposure of the particularities of OC as a variable in organizational behaviour research. The paper concludes with a proposal of practical implications for a competent management of the contemporary organizations.

Key words: organizational management, organizational culture, human resources, HR management
J.E.L. classification: D23, M10, M14, O15

1. Introduction

Organizational culture has become an increasingly intense concern for various specialists, academics, students but, especially, for company managers and administrators, and it tends to gain more and more value among employees as well. The complexity of this concept is also given by the strong connection that it has with the human resource which is treat not only from a rational point a view but, especially, emotionally and sentimentally, at a conscious or subconscious level, determining for each individual level, for the groups of individuals and for the organization a series of varied and dynamic laws, established into a formal or an informal way, on vertical or on horizontal hierarchy of the entity.

Previous researches had suggested that the implementation of a strong OC has the power to influence the relationships between the management and the operational departments, but also the entire design that the activity within the company is organised and performs, and, implicitly, the result as well as the OC can be influence, in turn, by the level of the employees training, by the field of the activity and by the other internal company factors. (Nguyen, 2020)

The changes in the labour market in the recent years related to the transition of work from office to online activities, had led that a greater attention to be paid to the OC, so that most of its basic elements have been readjusted. The process of digitalization in companies' activities has been accelerated, people have found new solutions and methods of managing their problems that

ultimately have proved to be constructive. The borders between personal life and work suddenly disappeared and the new reality became a challenge for many employees, who were put in the position of taking care of their own family while participating in virtual meeting with colleagues. (Sînchevici, 2021). In addition, there are currently active four different generations in the labour market: Baby Boomers, Generation X, Millennials and, the youngest generation, Generation Z – each one of this having its own set of values, ambitions, family/work balance, expectations from their employers and different ways of action (Raiu,2021).

Taking into account all the above, the motivation for choosing the present topic is justified by the fact that the way of organizational and management has experienced a complex dynamic in recent years, the OC is also in a continuous evolution and recognition and the issue of the impact that the OC has on the whole activity and results is a subject of maximum interest.

On this exploratory level, most of the approaches and definitions in the specialized literature are not antinomian but only complementary, demonstrating, once more, the complexity of the term, resulting from the very complexity of the determining human capital. The inability to anticipate the evolution of OC as well as the rejection to recognize the need for change or the delayed reaction of managers to all these changes, can generate organizational disasters, loss of control and even its end.

The present work proposes to highlight more aspects related to the management of organizational culture, its attributes and also the factors that can influence it, providing an overview of organizational trends. It aims to become a point of interest for managers in their intentions to implement and develop a solid OC, but also to serve as research resources in the future. Expanding the object of study of OC towards the identification of its various characteristics and towards the way of achievement in the technology era and post-pandemic period, bring to this work originality and uniqueness.

The first part, summarizes a briefly introduces and motivates the choice of this research topic. The second part, focuses the concerns of the specialists regarding the OC and the factors with impact over the modelling and the development in a unitary concept. The third section describes the research methodology of this study and limitations of the paper. In the fourth section, we framed the concept of OC, its attributes and its functions within the organization, in a general sense. This multidisciplinary approach reveals the complex nature of OC and its role in managerial decision-making, in design and implementation of the managerial policies. Finally, section number five, provides a synthesis of the results as well as a research opportuneness in the future.
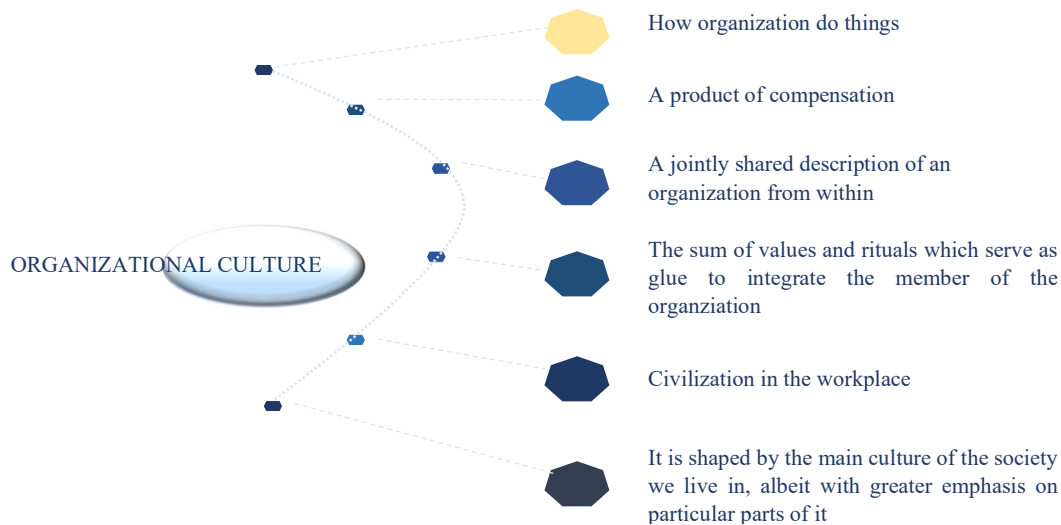
2. Literature review

Organizational culture is a system of values and concepts shared by the members of all hierarchical levels, within an organization that determines the character and the behaviour of employees.

Eastwood (2021) places an idea of the Maori cult (which embodies the universal human need for belonging and spiritual faith to an uninterrupted and unbreakable chain of people who share a common identity and culture) – Whakappa (you belong to this place) in the centre of his maximizing methods for team performance and to convert human diversity into a competitive advantage.

The findings indicate that the implementation of OC at the level of the whole company and the acceptance of it as an innovation of the management process gives to the company a competitive advantage. OC is attended as a standard for all organizational activities through which the company´s goals, vision, mission and plans are reflected. (Soto-Acosta, 2016). OC has real effects over the organizational performance. It is an imperative principle for companies to base their business activities on the OC so that all their activities to work efficiently, correctly and accurately (Kwarteng et. al, 2018).

Starting from the idea that in order to provoke a vigorous debate you have to dare to broach the subject of OC, Professor Prof. Michael D. Watkins facilitated a LinkedIn discussion on Organizational Culture in May 2013 and launched a topic on which he receives over 300 perspectives and varied opinions from stakeholders.

Figure no. 1 The perceptions of Organizational Culture in Watkins study from 2013

ORGANIZATIONAL CULTURE

How organization do things

A product of compensation

A jointly shared description of an organization from within

The sum of values and rituals which serve as glue to integrate the member of the organziation

Civilization in the workplace

It is shaped by the main culture of the society we live in, albeit with greater emphasis on particular parts of it

Source: made by the authors

A study carried out by Microsoft (2020) addressed the issue of OC through the lens of the satisfaction or dissatisfaction level of employees, demonstrating, once again, that all the organization that foster an environment of continuous innovation, with a strong OC achieve a long-term result over those that do not, and their training programs lead to a greater employee´s engagement.

Despite the developed organizational system for managing companies, the number of organizations that inspire assurance and devotion to their employees represents, in the modern world, a small but a growing minority (Sinek, 2017). Happy, inspired, motivated employees are the exception rather than the rule.

The Chinese model of change (Nicolescu, 2007) presents two entities: one that says "danger – chaos" and another one, much more solid that says "opportunities". Change is presented as a positive force, management's goal being to improve constantly the life of every employee at work through an integrated system, submitted to a continuous enhancement, which ensures a participatory environment, where every member, at any level, is involved in achieving the organization´s aims.

Managerial culture is presented by Nicolescu (2007) as a system of values, faiths, expectations and behaviours of the organization's management that is transposed into the management style and that influence in details the organizational culture and its performance.

These insights provide an integrated and nuanced view over OC and over its management, that leaders need to truly understand their organizations and to change them for better.

3. Research methodology

In order to think out the issue of OC, this research used qualitative methods. The theoretical knowledge was used for a better understanding and description of the phenomenon and the qualitative aspects concerned the role and the importance of organizational management and culture within an organization, as well as its main particularities and typologies.

The qualitative research was mainly based on interpretative methods for understanding the effects that OC scratch on the entire company activity and performance and which are certain archetypes of strategies and for illustrating the way that a manager can choose the best management strategies for his organization.

Some elements specific to the critical methods were also used, especially to analyse the frame in which OC can be positioned, but also elements of specific to the social and human sciences analysis: non-participatory observation (due to the nature of this research field and the current state of knowledge in the interest area) and the comparative analysis (resulting from the shaped analogies and from methodized conclusions of the research).

Concerning to describe completely, accurately and properly the spectrum of OC, we consulted specialized literature (research journal, articles, business and strategy publications found in Web of Science database) from various domain: management, information technology, accounting, sociology, public relations, human resources management, organizational psychology.

Approaching the figured methodology, the paper aims to highlight the positive aspects of this proceeding in the research prospect of OC.

However, the study has also inherent and pertinent limitations, enmeshed to the general approach of presenting the precepts, excluding the analyse of its distinctive features according to the national specifications of the phenomenon. Accomplish an approaching, elaborate and refined analysis that capture the particularities of organizational culture assign to the national ones, would have allowed the purchase of much more complete overview, this aspect could be the theme of future research.

4. Findings

Organizational culture performed as one of the important theories that has known an exponentially grown interest under the pressure of the internal and external concern of the companies' environment, from their need to endured, develop and innovation along all those accelerated changes that appear in economic and social intercourse. It is described as a driving force, a motivation that acts on all activities within an organization, as an energy engine that sets all its members in motion.

The conceptual structure of OC has its essences in the social, biological, anthropological, psychological, managerial, human behaviour, human relationships background. The organizational culture gives rise to a strong sense of trust and confidence among its individuals and helps them to understand the consequences of their relationships in accomplishing successfully their mission.

Most of the system component of the human body action to support our existence, survival and development. Although humans have been on this planet for a relatively short time related to other species, they have quickly become the most successful and unmatched species on the planet, so much so that their decisions and actions can deeply affect the ability of other species to survive and to thrive of – and even other humans. But this achievement was not just a simple luck – people worked hard, they always helped one each other, protected each other and, by joining their efforts, they achieved this accomplishment.

Figure no. 2 The role of protection of the Organizational Culture

Source: made by the authors

The beginning of the OC's study can be found in the interest of American and European economists after the Second World War to explain the "Japanese miracle" – when a country with almost no natural resources and with an overpopulation of more than 126 million inhabitants, managed to record the highest economic growth rate, the lowest unemployment level and a friendly working environment for their employees. They all had considered that the organizational culture was the engine of the individual progress but also for the entire society.

In the 19th-century, the anthropologist Edward Burnett Tylor (1871, 1881) provides the next definition: "Culture… is that complex whole which includes knowledge, belief, art, morals, law, customs, and any other capabilities and habits acquired by man as a member society". In 1952, another U.S. anthropologists A.L. Kroeber and Clyde Kluckhohn cited in their paper 164 definition

of culture, ranging from „ideas in the mind", „learned behaviour", „a logical construct", „a statistical fiction", „a psychic defense mechanism" to „an abstraction from behaviour".
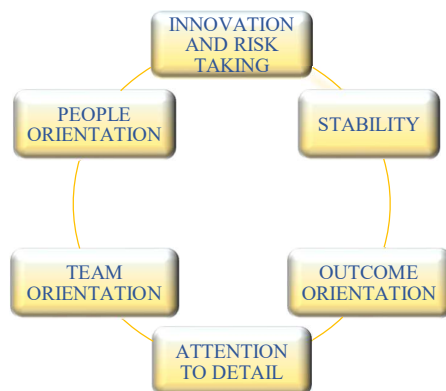
Despite the multiple definitions, a number of common features can be observed, as it is shown in Figure no. 3.

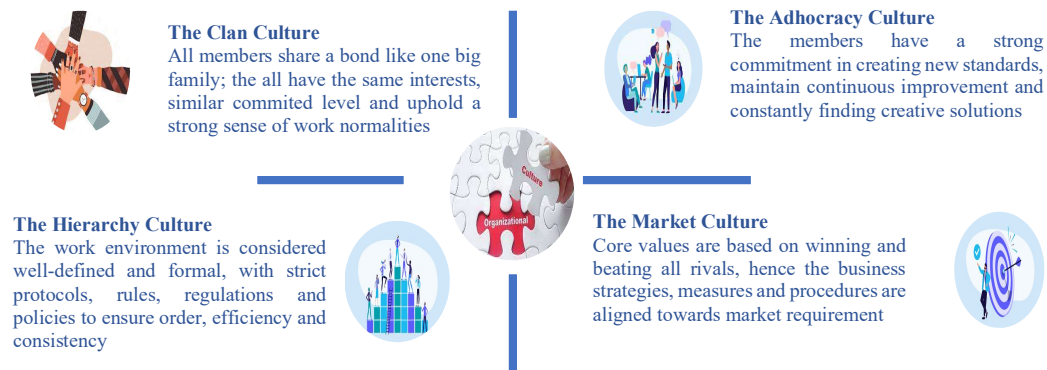*Figure 3. The Common Features of Organizational Culture Definitions*

Those values that constitute the basis of the organizational culture represent a combination of individual and national values	They have in mind a set of meanings and values that belong to the individuals within the organization	It takes a relatively long period of time to shape the elements of one's own organizational culture	Organizational culture represents a frame of reference for the members of the organization	Common values and beliefs are reflected in symbols, attitudes, behaviors

Source: made by the authors

Figure no. 3. Primary Characteristics of the Organizational Culture

INNOVATION AND RISK TAKING

PEOPLE ORIENTATION

STABILITY

TEAM ORIENTATION

OUTCOME ORIENTATION

ATTENTION TO DETAIL

Source: made by the authors

There are many types of organizational cultures, more or less reliable, but from afar, the most powerful structure is the clan, an organization that can be found especially in military teams, especially among the US Marines (Sinek, 2017).

Figure 5. The Main Four Types of Organizational Culture

The Clan Culture
All members share a bond like one big family; the all have the same interests, similar commited level and uphold a strong sense of work normalities

The Adhocracy Culture
The members have a strong commitment in creating new standards, maintain continuous improvement and constantly finding creative solutions

The Hierarchy Culture
The work environment is considered well-defined and formal, with strict protocols, rules, regulations and policies to ensure order, efficiency and consistency

The Market Culture
Core values are based on winning and beating all rivals, hence the business strategies, measures and procedures are aligned towards market requirement

Source: made by the authors

There are a lot of roles that OC fulfils within the organization, roles that have a significant influence on company activity and performance.

First of this, is that it creates a connection between the national culture and that of the individual members of the organization. Each individual is born in a certain culture, he is formed and developed in a certain cultural horizon and he is equally a culture creator and a receiver. An organization reflects images of the world, relating to the realities of time and space. All his members operate by adapting their national culture elements to the specific activity and to OC where the las one is acting more like an interface of all the others elements.

Secondly, organizational culture dominates the relations between the organization and its stakeholders. Stakeholders relate all their action to the received signals from inside and outside the company and act according to their own aims.

The third role of OC is that of shaping individual and group identity. In a more or less conscious way, each organization hold its own consolidate organizational culture. Whenever a community is formed, its culture will also be born together with it. Organization themselves are culture that can be design, accommodated, learned and addressed in a way partially conscious, exceeding the individual's values.

The role of preserving and reporting the values and the traditions of the company takes into account elements related to: managerial knowledge, the motivation level of organisation's members, the public image. Therefore, the OC is seen as a phenomenon characterized by a continuous dynamic which influences its own elements but which is influenced proportionately by the features of the exterior environment.

Unconcerned with the national culture of the organization's members, the OC cannot be regarded as a statistical element, its dynamics being generated by the continuous modification of the existing environmental conditions, each of those having influence on the other.

From the accomplished studies emerges a number of causes that can dominate the organizational culture, summarized as follows:

Figure 6. Causes that Dominate Organizational Culture

	Leadership – all the values of the top management
	Institutional Governance – Manuals & Enforcement
	Corporate Culture – Staff Attitude
ORGANIZATIONAL CULTURE	Vision, Mission and core Values of an Organisation
	Leadership – all the values of the top management
	Institutional Socialization – Orientation, Induction
	Information Technology
	National Culture & National Legislation
	Globalization

Source: made by the authors

Analysing the data provided by the Gallup Global Analysis Center in the period of 2016-2021 regarding the positive and the negative experiences of employees at their work, it was observed that, although the whole world considers the pandemic year 2020 as the greatest possible harm of the contemporary era, the year 2021, has broken all records in this. The data shows that positive and negative experiences are not yin & yang – darkness and light – the two opposites that make up the whole entity. The decrease of approximately three percent of the positive experience in 2021 compared to 2020 did not increase the negative ones to the same extent (Negative Experience Index gained only one percentage point). For those interviewed, indicators such as the level of rest, the joy experienced at work, the level of respect, the relaxed atmosphere had an exclusive emphasis, over the remuneration level.
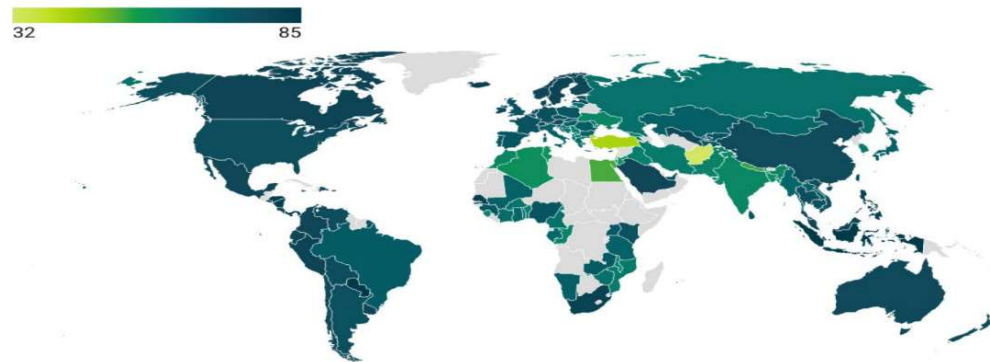
Figure no. 7. Positive vs Negative Experience Worldwide Index during 2006-2021
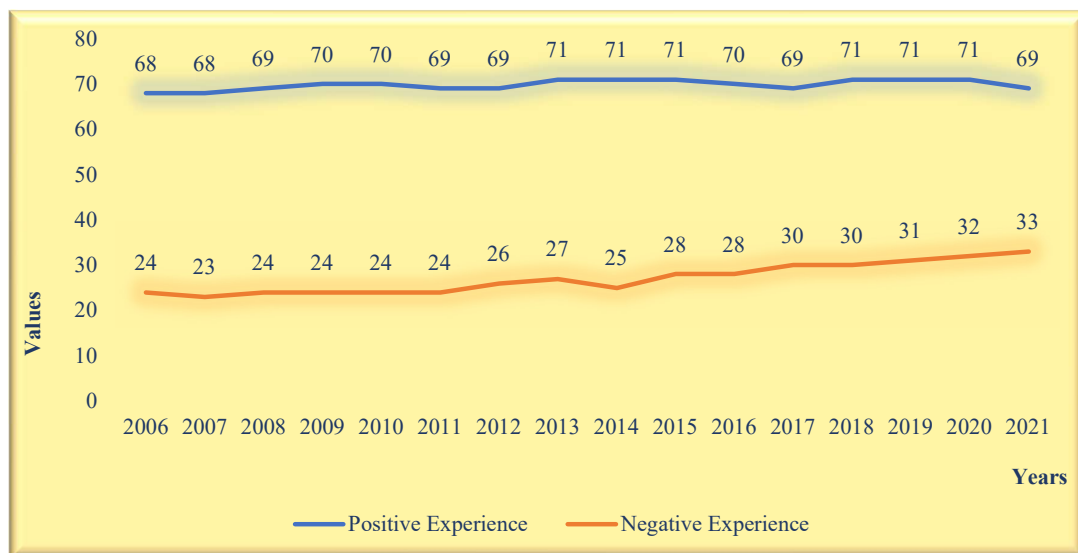
Source: made by the authors based on Gallup Global Emotion Report (2006-2021)

*Figure no. 8. Positive Experience Index per Countries in 2021*

Source: Gallup Global Emotion Report, 2021

Managerial culture plays its major role within the OC as much as the managers become aware of their performance within the company, not only formally but also informally, and decides to allocate an appreciable part of their time to employees training and to communicate the company's values, symbols, beliefs, faits, attitudes, tolerances in accordance with the company's management philosophy and values sets.

The strong emergence of Information Technologies (IT) in both economic and social life, their fast integration into the social and privet lives of individuals is about to transform the entire society into a genuine "information society", where the access to the information and knowledge, to communication and innovation becomes a basic economic resource. In this context, innovative culture is identified as the synergy between the four dimensions of the organization, that lead it towards a sustainable, solid, viable and innovative development: "people", "data", "processes" and "technology". It represents that part of the OC that is formed within an organization and widely used information technology as an important channel of communication inside and outside the organization, in constructing and validating decisions and influence their member's behaviour, attitudes, results and performance.

Figure no. 9. Culture of Innovation Framework
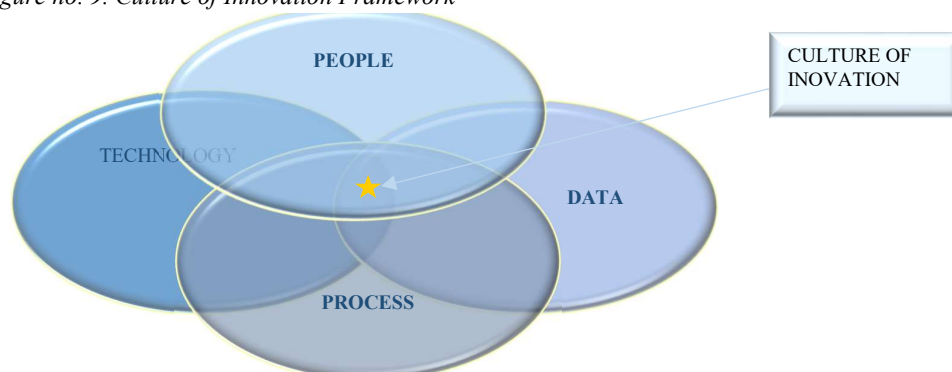
Source: made by the authors

5. Conclusions

The purpose of this articles was to develop a framework that would allow to any organization to choose that strategy that would lead to the best results.

The traditional organizational universe used to offer to its members security, equity, harmony and stability. The changes that took place on all development plans of society, especially those in the field of information technology, initiated had initiated changes on OC, on theirs's management strategies from the context of organization's survival, of the economic viability and of the human resource achievement.

Changes in the approach to organizational relation are becoming more and more visible, there have appeared new strategies and organizational policies, new methods are used in human resources, strong motivational systems have been born and all of this are based on the review of the values system, attitudes, symbols, morals, ethics, believes, faiths priorities of the organization members.

We consider that, in the not too far future, companies will report their own values, faiths, symbols, attitudes as elements of their own organizational culture, as a voluntary instrument of communication, governance and discussion with reference stakeholders. Organization presents his financial results within the balance sheet and financial statements but it can join the economic indicators and the social impact of his activity and emphasizes the capacity for identification, individualization, communication and improvement of his strengths so, a part of the organizational culture will become visible.

The appearance of some major changes in the organizational environment to which the company is slow to respond because the managerial culture does not perceive or appreciate them at the true level of influence, develop a performances decline. So, the top management's task has become that of balancing the conservatism and stability inclination of its members in relation with internal and external pressure exercised by the need for change and evolution, so that there to be an optimal level of creativity and risk-taking, a maximum active service of resources in order to achieve the general objectives.

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