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THE KEY TO THE SUSTAINABLE OPERATION OF A COMPANY - THE DEVELOPMENT OF ASPECTS OF ORGANIZATIONAL CULTURE

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This paper's theme is the examination of organizational culture and its relationship to sustainability. It describes the aspects of change in organizational culture, examining the possibilities for further development.

Literary research was carried out prior to completion of the study. It introduces the results of the national and international research, the researchers' findings.

I examined that what makes a sustainable company. The issue can be approached in several ways, but perhaps the best answer is that those companies can be called sustainable that plan to operate without time constraints, whose daily operations are controlled by eco-centric decisions, and that aim to be responsible to the environment and social well being. Because such a company will build a culture of human values, leadership not only brings cost-benefit principle decisions, but also ensures long-term survival aspects.

I supposed that a sustainable company is characterized by a specific organizational culture. The paradigm of sustainability permeates the decisions made by the management, which would not only maximize profit, but will attempt to optimize the driving force behind the company's operation.

Changing organizational culture is not a quick process. Moreover, compared to the usual management decisions and the first results of the detection rate of explicitly demanding change is a long-time stable culture.

The need for change may come from inside or outside the organization. The reasons for the change are due to several factors. The leadership's interest to recognize the needs for change in time, and the changes are well prepared with the support of consultants.

Keywords: organizational culture, culture change, sustainable companies, corporate governance

INTRODUCTION

Examination of the organizational culture today get a special significance. The key factors of the operation the technological and business processes are the people and the people formed communities. Earlier the competitiveness was meant the technology-development and maximize the efficiency of production. It meant there was no need for an in-depth examination of the topic.

The topic today is given an increasingly special importance. The responsible management knows that it controls the operation of the organization in a sustainable way unimaginable raise awareness of employees, even without the development of organizational culture.

Although the company (or organization) culture and development issues in the 80's was the center of attention, the origin this paradigm goes back to earlier. According to Taylor's perception the key factors are the system and the effective operation of the organization. However Niklisch's study - was published in 1922-, claimed the man at the center. He highlighted the importance of corporate values based on deeply integrating role, which can be used effectively to improve the business atmosphere. [Niklisch 1922]

The topic has become known as corporate culture, but by the end of the last century it has to became clear, that the development of organizational culture is important not only for companies, but for every business organizations. For this reason is identifies it in some cases as corporate and in others organizational culture. Therefore in my survey I prefer the usage of organizational culture's concept.

APPROACHES AND METHODS

The term of the organization itself does not seem difficult to understand. However, on closer inspection the meaning of it, can be asked whether small or large group of people from what definition of "organization". Obviously, the specific cohesion between the members perceived in itself but it doesn't mean an organization.

During the examination of the topic seems to me most useful Draft's approaches. That approach is characterized the organization by the following factors:

- they are social formations,
- purpose-designed,
- deliberately structured and coordinated operating systems, and
- they have clear relationship with the external environment [Draft, 2013].

To describe the term of "culture" in terms of my research the multiple definition are correct. Hofstede approached the notion of culture as follows:

"Culture is the collective programming of the mind which distinguishes the members of one group of people from those of another. Culture in this sense includes value systems, values and culture building blocks include "[Hofstede, 1991]

This definition is based on discrimination. On the other hand, the culture means a kind of community's attitude to the fundamental issues of life, the total of values and behavioral patterns.

The organizational culture is a subset of the culture, which narrows the scope of the investigation to a given organism. On other hand it means a kind of subculture whose

exponents form a tighter community regularly (daily), it is generally practiced in conjunction driving task.

The organizational culture can not be understood as an independent discipline, in fact, it can be stated that the organizational culture is a very complex area and therefore it can be effectively tested only by interdisciplinary approach.

Therefore it is not possible to determine the organizational culture as uniform. The following definitions have become generally accepted:

- 1. "The corporate culture includes the values and standards that determine people's behavior. The company culture determines what reason exists for the company to allocate resources affects the organizational structure and the systems that are used. The corporate culture affects also to whom they recruit to the company. It serves that everyone can in the characteristics of the most suitable job to load it. It affects the method of performance and reward, support the decide what they see as a problem, we expect the community and how to deal with them. [Petrock 1990]
- 2. The corporate culture committed the common beliefs, behaviors assumptions, norms and values of the manifestation of the company, which only manifest by direct instructions. It influences the people interactions, strongly influenced by the way the scheme of thing [Armstrong, 1996]
- 3. The corporate culture is a kind of shared values, beliefs and customs system, which interacts with the formal structures generate behavioral norms. They are sold as adopted by the members of the organization and shared basic assumptions, values, norms and shared, tangible produced assets. [Thomas, 1993]
- 4. "A pattern of shared basic assumptions that a group has learned as it solved its problems of external adaptation and internal integration that has worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems." [Schein, 1992]
- 5. "Culture is an abstraction, yet the forces that are created in social and organizational situations that derive from culture are powerful. If we don't understand the operation of these forces we become victim of them." [Schein, 2004]
- 6. "Corporate culture is a set of guide interpretation and appropriate action of common spiritual assumptions by the behavior in a variety of situations to define of organizations " [Ravas, 2006]
- 7. According to the Sathe's definition the corporate culture is an important sum (often unspecified) of the believes that is undertaken by the members of the community" [Sathe, 1985, p44.]
- 8. Determination of the Magyar Nagylexikon the corporate culture is the sum of resources (financial, behavioral and mental) capacities, the sum of social institutions that distinguish man from the animal world. Objectified form of the socially relevant skills and experience ensemble "[Magyar Nagylexikon, 1993]
- 9. "The corporate culture is material, cognitive and normative elements, ie objects, knowledge, and values, norms."[Andorka, 1997]

Levels of the corporate culture

The researchers approaches are different in the topic of concept the corporate culture. Edgar Schein psychologists describe the corporate culture's manifestations with visible and non-visible signs. Accordingly, it distinguishes three levels of organizational culture:

- 1. Visible signs: the signs that appear on the surface, can be identified from a distance. This includes the products of material processes, language, human relationships control system architecture, art, etc.
- 2. The non-visible signals may be divided into the following two groups:
 - a. Ideologies and learned values: they are already learning from the early childhood and lasts a lifetime. Therefore, application of them are instinctive, their roots are hidden in deep. They are appearance on the principles, ethical standards and moral rules.
 - b. Basic assumptions: the lowest level of the corporate culture. It is difficult to determine, it is based on instinctual manifestations. Therefore it is difficult to understand, to learn, to determine what existence. [Schein 1978]

The visual approach of Schein can be illustrated by the Müri's iceberg model. In this model the dominant mass of iceberg is not visible to the outside observer at first glance, because it is located deep below the surface.

Schein divides the invisible attributes to the conditions.

The one of two level is the premises, that form deep foundation, but it is not obvious to the presentation. This layer covers the most difficult to determine factors instinctive basic assumptions.

This is the fundament of the same unclearly, but the suspected level of values and ideologies. According to the psychologist's approach this level id binded to the individual, the family and social backgrounds.

Deal and Kennedy examined the seen levels of the culture. They built a model of the strong or dominant culture. This model describe the basis of the behavior of the dominant characteristics of the culture. The visible levels contains the next 5 factors:

- heroes,
- rites,
- rituals
- legends and
- ceremonies.

The nature of culture is in influencing by the ability to influence behavior. The benefits of a strong organizational culture between the following mention:

- leads to predictable behaviors

- loyalty to the organization is strong, characterized by commitment and identification with the organization's goals

- increases the body's ability to retain, reducing staff turnover
- the culture can take the part of the formal organizational rules in the determining the role of members , thereby can helping to improve the working atmosphere.

It should be mentioned the disadvantage of a strong culture that it is not enough flexible, difficult responds to environmental challenges, and later it will be difficult to replace with a new culture. [Deal, Kennedy 1982]

Figure 1 shows the iceberg of the individual elements, and similar connection. The left side of the figure are the levels of organizational culture, relationships between the different

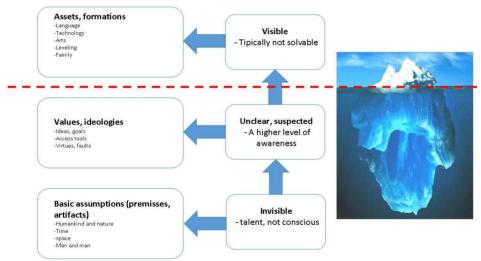
levels and forms between the two levels. In original on Schein's figure it was shown the top level of the invisible and the visible to the bottom, but with the well-known correlation the iceberg-model's figure has been restructured. By way of explanation of the iceberg rightmodels are presented, clearly marked with the visible and invisible levels separating plane (dashed red line). On the figure the vertical arrows indicate the different levels of building relationships to each other, the horizontal arrows indicate the levels of expression.

Rousseau criticized the previous models, which were based on that they can focusing onto only one or only a few concentrate characteristics. His study proposes the establishment of a multi-layer model.

The model represents each of characteristics in ring structure (Rousseau ring). In this model can be found in the outer layers of the ring those features, which are much faster, easier and more efficient than the ring nucleus can be found. [Rousseau, 1990]

The Figure 2 shows the main elements of the model of Rousseau.

Figure 1



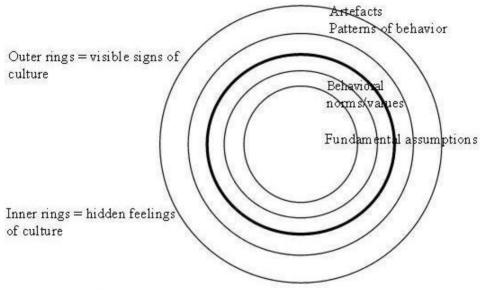
The relationship between organizational culture and content levels (Schein, based on their 1992 compilation)

Source: Based on Schein, 1992

Corporate culture models

As far as different the approaches and definitions of organizational culture, so different the researcher's models the subject of corporate culture. Bruce Henderson, the Boston Consulting Group researchers [bcg.com 2014] in 1970 developed the matrix of growth/shares, which is the most common, best known strategic analysis method, which is commonly known as BCG matrix. About this in response to Richard Pascale, Tony Athos, Tom Peters and jr. Robert H. Waterman, the researchers of McKinsey & Company has begun to examine why will be succeessful -known and lesser-known US companies [mckinsey.com, 2014].

Figure 2



The relationship between organizational culture and content levels

Source: Based on Rousseau, 1990

As a result of their research they founded, that every successful organization has a a strong culture that is typical at him, which lives deep in the staff room. They set up a model that describe the organizational structure and relations of the organizational culture.

The model became known as McKinsey 7S model, given the English name of the seven factors initials:

- 1. Shared Values
- 2. Strategy
- 3. Structure
- 4. Systems
- 5. Staff
- 6. Style
- 7. Skills

The values are in the central all of the factors, and the six other factors are closely linked to and determined by it.

The authors divided the factors into two groups: the so-called hard factors (strategy, structure, systems) and soft factors (style, staff, skills and values).

Those factors are called hard factors which are quantified the development, management methods and models. Their presence is essential for the organization.

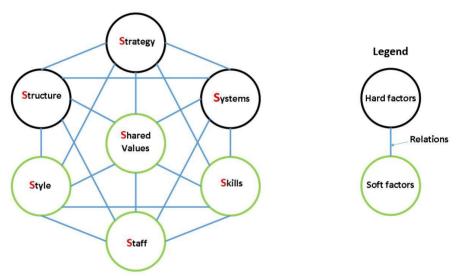
In contrast the soft factors are called the harder to quantify factors such as the skills, staff, style and values.

The company can be different from another by the soft factors. The combination of four soft factors can make really unique culture of the organization. In many cases - especially the Japanese companies - it was reported in special circumstances laid down by the soft factors of competitive advantage.

The soft factors (and their many combinations) can not be described with mathematical models, it is difficult to reproduce them, given the fact that these factors exist in the minds of the members of the organization only.

The model and the relationship between the factors shown in Figure 3.

Figure 3



Interpretation of the McKinsey 7S model types

Geert Hofstede Dutch social psychologist has set up an investigation conducted in more than 40 countries model of cultural dimensions. When researching multinational giant IBM was looking for more than 116,000 employees in questionnaires. The survey analyzed responses to a computer, the results of the research Culture's Consequences: differences in work-related values in his book entitled International in 1980, he said. It was based on the examination of the impact of organizational culture on organizational culture and national cultures.

The next areas has been determined by the statistical analysis based on the opinion of the questionnaire respondents as a result of the following common problem:

- 1. social inequalities, the attitude of authority;
- 2. the relationship of the individual person with the group;
- 3. concept of masculinity and femininity;

4. methods for the treatment of uncertainty in relation to the aggression and the expression of feelings.

Source: Based on www.mckinsey.com

Hofstede set up four cultural dimensions based on the results, which can be measured in comparison with other cultures. It was set up to measure the differences in national cultures in his four-dimensional model, which is described in the following dimensions:

- 1. small / high power distance.
- 2. Individualism / collectivism.
- 3. masculinity / femininity.
- 4. poor, respectively. strong uncertainty avoidance.

The results show that the different national cultures where located in cultural dimensions, relative to each other. Therefore this method is suitable for comparing different cultures.

Model of Cameron and Quinn

Cameron and Quinn's approach is mapped into a matrix the culture map of organization of four qualified property the organizational.

This approach focuses in the horizontal dimension inside and / or out. The perception inside the organization focused primarily focuses on the processes taking place within, out of focus and concentrates on the relationship between organisms and the environment.

The vertical dimension of the model cover flexibility and / or a tight control area. In case of flexible organization it provides leeway for the members of the body, giving greater freedom of choice, while under close control possibilities of the members of the organization heavily regulated [Cameron and Quinn, 2006]. Figure 4 shows the culture-based model.

Figure 4

Cameron & Quinn's culture map



Source: Based on Cameron and Quinn, 2006

Handy's model

Charles Handy developed the Roger Harrison's organizational culture model. He linked the structure of the organization to the culture.

The base of his establishment was the observation that the various activity of the organizations typically establish a specific set of values. This cultural diversity can be observed in the daily work, to mode of approaching problems, in the way of decision-making in both cultures. In many cases the organization makes their culture tangible with external markings, such as corporate uniforms, flags, uniform image appearance can help.

Handy distinguished four types of culture:

- 1. power,
- 2. role
- 3. exercise and
- 4. passenger culture.

Characterization, modelling and comparison the corporate cultures

The question arises, what is the point of organizational culture typology, where so many different categories and models to help set up. The typology and categorization primarily to support the work of practitioners and managers, because decision making is usually extremely tight time available. A good leader nonetheless like to make informed decisions, as he has to represent the interests of the owner, the owner's resources to be more effectively administration has [Chikan, 2002].

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The relevance of models is to support the managers in identifying the most appropriate model. If the current organizational culture does not fit the vision of the organization, at the planning the culture it can help if the management knows the advantages and difficulties of needed model. The creators of the presented models are experts of the human sciences: sociologists and psychologists. They are very sensible fot the changing of the inter-personal processes.

Each model investigate the organizational culture from a different perspective approach. Of course, it is not possible set up a uniform, generally applicable model for every organizations, which can be applied effectively in all types of organizations. However, the criteria for each model also evaluated the organization from different aspects. Therefore I am sure that the criticism of models is unreasoned.

The models can be used in practice to make the cultural particularities identifiable for the management. With support of it can be possible the development the directions for the decision-making process, provide support to the organization in the most tailored way to develop the culture of their organization.

In my opinion, there is no right and wrong culture, just successfully adapted to a particular organization, and unsuitable. If the management want to change the culture of their organization, it suggested to involve the help of knowledgeable experts.

CONCLUSIONS

The sustainable organizations are featured with long-term operate planning. Therefore their strategy - in line with their culture and organization - should retain continuous adaptability contrast to changes in the environment surrounding the organization.

The culture of the sustainable organization is therefore no stranger to changes, they are ready to respond quickly and effectively to the changes. The quick response is possible because they are sustaining advanced management system in the everyday practice. The resources (financial and human) are managed by advanced methodology to carry out the developed benchmarking activities. This is a kind of "weather forecast" of changing, what can effectively use the management.

If necessary, the intelligent management is ready to change the corporate culture, because they are well know that long-term results is available only by well-trained and united organization.

The organization is no stranger to acquiring new knowledge. It can sure the long term safety for the employees. They trust in its management, they are accept the decisions not just in times of crisis. They respond positively to changing conditions.

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