

# MANAGING ORGANIZATIONAL CULTURE IN A GLOBAL ORGANISATION: THE CASE OF ROMANIA IN THE PROCESS OF INTEGRATION IN THE EUROPEAN UNION

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## *Abstract*

*The reality of today's global organizations is that organizational culture must recognize cultural diversity. Social norms create differences, values and attitudes about similar circumstances also vary from country to country. Since the process of determining an organizational culture often involves considerable "education," Romanian managers should be sensitive to global differences in approaches to education to make sure their cultural education efforts are effective. The article propose the identification of all the means and opportunities utilized by the managers, to make obvious the strategic capacity of the Romanian firms, which function in a complex and unstable medium, now, at the 21 century beginning.*

**Key words:** *Competitive global economy, global organization, strategic vision and capacity, organizational culture, cultural education.*

## **1 Introduction**

Organizational culture develops and manifests itself differently in different organizations. One cannot say that one culture is better than another, just that it is different in certain aspects. There is no ideal culture, only a good culture, appropriate to the organization. This means there cannot be a universal recipe for managing the culture of any organization, although there are certain approaches used as we are about to see. Culture management refers to the implementation, the refreshment of the existing culture of an organization or the change of an obsolete culture. The approach of the organizational culture will be characterized by several general considerations. *Social norms* create differences across national boundaries that influence how people interact, read personal cues, and otherwise interrelate socially. *Values* and *attitudes* about similar circumstances also vary from country to country. *Religion* is yet another source of cultural differences. Holidays, practices, and belief structures differ in very fundamental ways that must be taken into account as one attempts to shape organizational culture in a global setting. Finally, *education*, or ways people are accustomed to learning, differ across national borders.

Considering the above-mentioned aspects, we can conclude that culture management is an analysis and diagnosis problem, followed by the managers' carrying out a series of adequate interventions or a series of change mechanisms, aiming at transforming the organization.

## 2. Theoretical Basis

### 2.1 Defining the Organisational Culture

Thomas Peters and Robert Waterman's work, „In Search of Excellence” imposes in the common language the term corporate culture, invented in the 1970s. As soon as organisational culture becomes a fashionable subject, at the end of the 1980s, the management literature also popularises the concept of „excellence”, as the common way in which the members of an organisation think, act and feel.

Table 1. Definitions of different types of culture

National culture	Organisational culture
Collective programming of the thought	
Acquired by growing up in a certain country	Distinguishing the members of an organisation from the members of another organisation

Source: Hofstede 1996, 294

According to the two academics, „excellence” superimposes to a strong organisational culture. An extremely simple definition is presented by T. E. Deal: the organisational culture is the way things take place in an organisation.

Table 2. Description of two types of culture

Types of culture	Description of the types of culture
Organic	A people withdraws from the ethnic tradition sphere all the elements of the spiritual progress
Unorganic	A people suddenly receives foreign ideas that trouble the old balance, without being able to replace it with a new one

Source: Mehedinți-Simion 1986, 76

Although based on a series of values characteristic to a national culture, organisational culture is made of practices, behaviours and attitudes defined in relation with a series of concrete situations. Even if the use of the term culture both for nations and for organisations suggests the two kinds of culture are identical, they are different.

Simion Mehedinți identifies two types of culture: “organic” and “unorganic”.

Culture is a sum of presuppositions about the way the world works, beliefs, values, symbols, languages, rituals, principles, rules and practices that influence, consciously or unconsciously, the organisation's and its members' thoughts, feelings and actions. It represents a set more or less coherent, more or less articulate, of values, semnifications,

organisational behaviours and practices and of orientation of the organisational behaviour.

Gary Johns considers that at an informal level organisational culture can be understood as the style, the atmosphere or the personality of an organisation, and formally, it includes the shared beliefs, values and hypotheses existing in an organization.

## 2.2 Analysis and Diagnosis of Organisational Culture

Schein (1985, 52) suggested the most powerful mechanisms to implement and refresh a culture's organisation are:

- what managers seek, appraise and control,
- managerial reactions to critical incidents crises,
- deliberate role modelling and commitment promotion
- fair rewarding and promotion criteria
- precise criteria for recruiting, selecting, promoting and appraising performances .

Since cultures develop over a long time, sometimes years, and are usually deeply rooted, they are also difficult to change. In the figure 1 we present synthetically a frame for orienting the organisational change by culture management.

When in the organisation there is a weak or weakly supported organisational culture, this guarantees a change process, the transfer from the present culture to an improved one being tacitly achieved. It is necessary to redefine the set of values common to all organization members that help them understand the purpose proposed by the managers, the way of accomplishing it and what they think as important for the future.

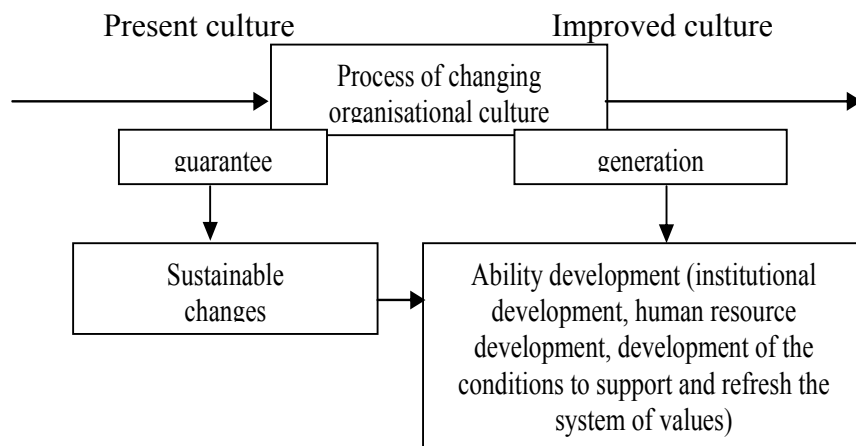


Figure 1. Frame for orienting the organisational change by culture management

It is extremely hard to make people change the attitudes and conceptions they've been having for a long time and these attempts often fail. All managers can do is determine organizational members to change their behaviour so that to reduce the disfunctional elements in a culture and introduce functional ones.

But changing behaviours is not an easy task, although sometimes it takes place in dramatical conditions, like crises, manager (or owner) change, or the appearance of a powerful, autocratic, charismatic and visionary leader.

Organizational culture has a history and a structure, and that is how it can remain unchanged for a long time despite the coming and going of any employee or even of all employees within it. It is born out of the experience of the situations when internal and external pressures actions upon the organisation were dealt with.

Culture is an integrant part of the process of selecting personal options. It influences what the organization feels, its concerns and its ability to deal with problems. Organizational culture is a force that allowed a series of large companies, like IBM, Delta Airlines, Kodak, Ford successful corporations.

Culture analysis and management action diagnosis must take place on the permanent basis of observing and studying the behaviour that indicates the prevailing norms and values of a society.

A more detailed analysis will make use of instruments such as the interview, the questionnaires, group studies (representative groups of employees whose opinions are asked for when dealing with organisational or unit problems), attitude studies, workshops.

### ***2.3 The Role of the Specialist in Change Organisational Management***

One can distinguish the role of the manager specialist in supporting and developing the culture management within the organisation. The change management specialist occupies an advantageous position to analyse the existing culture and to produce diagnoses for the top management as far as the needs of this management. He can advise managers regarding the setting of the values expected by the employees, the way these values can be communicated to the employees and the way in which behaviours can be changed in order to fit the modified values.

One extremely important aspect is that the change management specialist can project and help implementing the change programmes, especially those involving education and training, performance management and even initiatives of reward management.

In many organisations, the role of the change management specialists covers the internal consulting regarding the culture management problems, as well as the introduction of new human resource management systems.

On a global level, external consultants are still frequently used, since they can have a detached, objective opinion, but they operate as part of a team made of change management specialists and human resource specialists and not as independent individuals, as it used to be in the initial part of the organisations' development.

### ***2.4 Consulting Methods in Support of Culture Management***

As soon as the elements of implementing, refreshing or changing the organisational culture are set, those who facilitate the culture management programme will use consulting methods for these processes.

Consultancy is a cumulative approach in this case. The consultant participates along with the organisational members for gathering information, for analysing and diagnosing the needs and problems, getting the others' support and cultivating the commitment and acceptance of change.

Schein claims process consultancy, suggesting either external consultancy or internal human resource management specialists.

According to their objectives in the process of integration in the European Union, the Romanian managers must intend to be sensitive to global differences in approaches to education to make sure their cultural education efforts are effective.

The Romanian managers have not yet prepared the vision and strategy of integration. In this case they may intend:

- to make people take part in the process of analysis and reformulation of the different interpretations of the demands and problems in the given context,
- to offer clients a perspective on the situation – the most important characteristics, the factors influencing the work and people's processes or actions appearing in the normal work course, in the evolution of the reunions as well as in the formal or informal meetings among the organisational members,
- to offer the the organisation new and attractive alternatives so that the clients take into consideration not just the experts' ready-made solutions,
- to help people put their thoughts in order, aiming that the logical, coherent and practical solutions of the problems appear during this change-oriented process,
- to listen and observe, not to talk too much,
- to help people to become conscious of the decisions they took and of the methods they used,
- to do his best so as the group feels the situation or the action belongs to the entire group,
- to ensure that the decisions are put down and transmitted to the abilitated ones and the projects are made to carry out the decisions.

The consultancy of the process of implementation, refreshment or change of the organisational culture supposes considerable abilities. It has to set relations with the management on all levels. The human resource expert, considered consultant during this period, must observe and analyse the ongoing processes in the organisation and to work, to listen to the groups and consult them.

That is why he must be perceived as independent and this can be difficult in organisations where he has other personnel responsibilities identifying him with managers. Nevertheless, even if it is not possible to completely assume the role of consultant for the support process of culture management, human resource experts can have a special role in facilitating change as change agents, using their experience in applying the consultancy of the process.

### **3 Methods and Results**

To support the aspects presented in the above theoretical approach, we made a fact exemplification on the basis of a practical study on a series of 26 managers occupying different hierarchical positions in some companies from city of Iași. The fact observation was made both by applying the questionnaire presented in appendix 1 and by interviewing some of the subjects.

The managers, most of whom attended a professional training course named „Organisational culture development”, were asked to apply in their turn the questionnaire to 6 of their colleagues (two managers and four employees with executive responsibilities). We obtained this way 84 valid questionnaires, out of 120 that were filled in and sent back.

All the subjects were asked to specify:

- which are, in their opinion, the dominant values within the organisational culture;

- which are the strong and the weak points of the organisational culture;
- what rapid changes should be done in order to exploit the strong points or to improve the weak points;
- what risks and behavioural reactions may entail the implementation of the proposed changes in the competitive global economy.

We precise only some of the values of the organisational culture listed from the beginning (Table 3):

Table 3. Values of the organisational culture in Romanian organizations

(a) *respect for order and discipline*; (b) *precise execution of superiors' orders*; (c) *social responsibility of the firm*; (d) *concern for client satisfaction*; (e) *observance of managers' commitments*; (f) *procedure observance*; (g) *ethical behaviour and integrity*; (h) *orientation towards continuous innovation and procedure improvement*; (i) *mutual confidence among peers but also between superiors and subordinates*; (j) *employee satisfaction for the occupied position*; (k) *fair appraisal of individual performance and merit recognition*; (l) *quality*; (m) *responsibility/assuming responsibility for one's decisions and actions*; (n) *mutual support*; (o) *stimulating team work*; (p) *general concern for profit making and performance*; (r) *Interest for environment and community*; (s) *responsibility for one's decisions*; (ş) *professionalism and quality training of human resources*; (t) *personal and job security*; (u) *spirit for improving personnel knowledge*; (v) *client satisfaction orientation*; (x) *global vision of each employee on the company activity*; (z) *decision-making and communication ability*; (aa) *organisational stability*; (ab) *consumers' complete satisfaction*; (ac) *concern for a high level of professional proficiency*; (ad) *rewards according to work results and assumed responsibilities*; (ae) *rewards for work quality determined by the end product quality*; (af) *respect for employees and superiors*; (ah) *quick adaptation to market change*; etc.

In the structure of the questionnaire we listed from the beginning a series of 22 values of the organisational culture which may become manifest within the organisation and the respondents were asked to select 5 of these values that they consider to be shared and used most often, describing both the present situation and the refreshed situation they would want in 4-5 years. The employees' answers were then processed in the EXCEL system, various analysis possibilities being obtained.

#### 4 Discussions

Organisational culture is the basis on which a company's existence is articulated, and this cannot be built in a minute. One gathers successes and failures, genial ideas and missed chances, joys and troubles, in a word history. In the Romanian experience after 1990 some companies started vigorously, but on their way they began to slow the rhythm, and others climbed step by step the way of the success. After a long period when in Romania the phrase „it works anyway“ became deeply rooted, the companies with a long tradition adopted the „it doesn't work like this anymore“.

The managers who understood this began to build a new organisational culture. Within the companies chosen there is a harmonious and balanced mixture of the tradition culture and the orientation towards continuous innovation, towards improved procedures and organisational change.

This is how it became obvious that under the *present situation* many managers and subordinates *respect the order and discipline* (a), *are interested in assuming*

responsability for their actions or decisions (m), consider quality as very important (l), show concern for clients' satisfaction (d) and think that good results are achieved by observing procedures (f).

In a future projection of the organisational culture values we notice a reversal of the value hierarchy desired by the employees of this companies. They place first the orientation towards continuous innovation, towards improved procedures (h), the fair appraisal of individual performances and merit recognition (k), stimulating team work (o) and they pay a minimum attention to the precise execution of superiors' orders (b) and to mutual support (n).

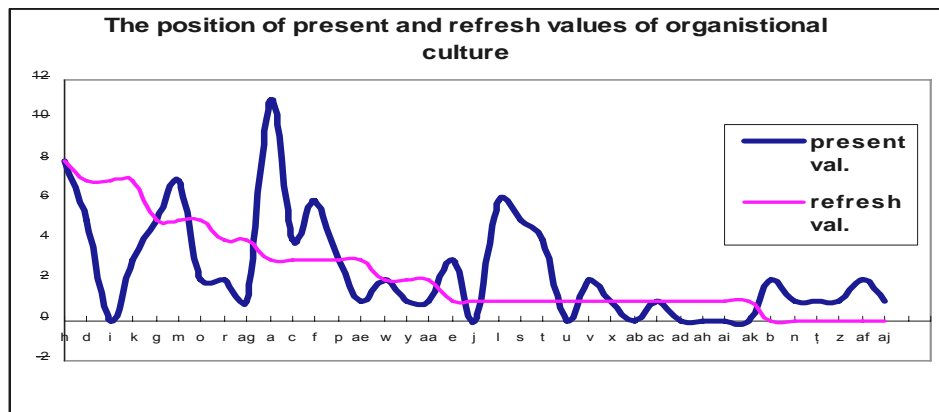


Figure 2. Present and improved values of organizational culture in Romanian companies: results of research

It is difficult to achieve a general comparison between the Romanian management and the European one, from the perspective of transformation dynamics, because it is extremely clearly defined by the business environment (legislation, tax system, and bureaucracy), mentality, the specificities of each region, etc.

An interpretation of the results was presented in the figure 2. The study of the organisational culture values by the “human resources” capital necessitates the taking into consideration of several factors of economic, legal, social and technical nature.

*The strong points* of the researched organisation’s management are the good knowledge of the local, internal and international business environment, the existence of a good training and of the experience of the managers and of the employees, managers’ ability to make effective decisions, efforts to adapt to the EU demands.

The identified *weak points* were: the top management’s reluctance to instruction, the lack of knowledge of the managerial theory and of foreign languages, the absence of an effective training, the lack of communication, organising deficiencies, the reluctance to using the new market study methods.

The identified weak points may be cleared by: modifying the tax legislation affecting the business environment, constant improvement, the ministry’s elaborating sector strategies and supporting successful companies.

When a company sends its employees to a professional training course, it does it in order to have better prepared people, who will refine their abilities and discover new skills. If when coming back into the company, the employee sees that he cannot use the acquired knowledge or that he is refused the opportunity of achieving performance, there is the risk of his leaving.

## 5 Conclusions

We consider that any one, one or more of the following approaches can be used by managers to support the management by organisational culture:

1. The mission details must be in accordance with the values that explicitly state the organisation's direction. The values adopted by an organisation in order to follow the proposed direction must correspond to reality and must be supported by meetings, instructions and discussions that put into practice the words.
2. Workshops that make people become involved in discussing the new values and behaviours and their practicing. For example, in the British Airways programme called "Let's put people first!", all 38.000 employees are included in an intensive three-day workshop, being encouraged to accept and to think at the importance of the services for their clients.
3. Educational and improvement programmes leading to the personnel's acquiring new knowledge and abilities.
4. Performance management programmes that ensure by the mechanisms of an objective placement and of an objective performance appraisal the fact that the values, the standards and the behaviour developed by the culture change programmes are absorbed and put into practice as a natural component of the management process.
5. Reward management, whose systems reward people for a certain type of behaviour, in complete accordance with the values elaborated by the programme of organisational culture change.

These kinds of programmes can be used not only to change, but also to refresh a certain culture. Ideally, they are practiced at the level of the whole organisation, but we can admit that certain parts of it may have different legitimate cultures and that it is counterproductive to impose on them a foreign culture. In the new context from Romania, all managers can have a major contribution, first of all by understanding their culture and then becoming involved as much as possible in setting the purposes and the constituents of a culture management programme and, lastly, by developing it in their own team, replacing and refreshing the system of organisational values at the level of the entire department.

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