

Organization Culture. Models and Approaches

~ Ph. D. **Cristina Bolcaș** (Faculty of Business and Administration, University of Bucharest, Romania)

E-mail: cristina.badeabolcas@yahoo.com

~ Ph. D. Associate Professor **Vladimir-Codrin Ionescu** (Faculty of Business and Administration, University of Bucharest, Romania)

E-mail: vladimir-codrin.ionescu@faa.unibuc.ro

Abstract: In a constantly changing and evolving market worldwide, each organization seeks to shape and develop appropriate leadership, so that it responds to all the demands arising in the organization's internal and external environment. Organizational culture imposes itself as the best way for operating in a successful manner. The members of the organization must develop a belief shared by the same values, attitudes, habits and written or unwritten rules that directly influence their activity. Culture needs to evolve in order for the organization to remain relevant in a changing environment. In this sense, changing the organizational culture is not an easy process, as the members of the organization are often reluctant to new things, having a behavior that implies weaker results. This paper aims to highlight a few models of organizational culture, approaches, features, characteristics and implementation strategies. At the same time, the paper offers a brief review of the empirical research of the terms published in the specialized literature, including various conceptual frameworks such as: "corporate culture", "workplace culture", "business culture", but also an analysis of the organizational culture that is permanently created and modified so as to ensure the continuity and efficiency of the organization.

Keywords: organizational culture, corporate culture, workplace culture, business culture, models of organizational culture

JEL Classification: M10, M14, L21

1. Introduction

An organization is made up of people with different educational qualifications, specializations and different work experiences, working together to achieve a common goal. The culture is formed over a long period of time, it is implicit and it plays a role of selection factor of the level of integration of the members, governing, in the subconscious way, the everyday behavior of the employees. The study of organizational culture has been and is the object of study for several research fields: organizational sociology, organizational psychology, management economy. The boundaries of the approach and the analysis have not always been sufficiently clearly drawn, to the extent that overlaps and interferences appear in the way of research and the purpose pursued.

The organizational culture includes the experiences, the philosophy of an organization, as well as the values that guide the behavior of its members, and is expressed in its inner workings, its interactions with the outside world, but also in the self-image of the members. At the same time, the culture is based on written or unwritten habits and rules, attitudes, beliefs that directly influence the activity of the members of the organization.

The term "organizational culture" refers to the values and ideologies of an organization. The principles and policies followed by an organization shape its culture. An important place is occupied by the culture of the workplace, being the one that decides how individuals interact with each other inside and outside the organization. The employees must respect the culture of their organization, adapt as best they can, be motivated and enjoy the performance of their work.

It is important that organizations understand the meaning of change and tackle it as source for increase performance and competitiveness. (Ionescu and Bolcaş, 2015, p.89)

2. Literature review

In the specialized literature there are numerous approaches to the term "organizational culture".

Ever since 1957, Theodore Szelnick, a well-known American specialist, has identified and defined the organizational culture. Later, practical studies conducted by successful American companies, such as IBM, Hewlett-Packard, Delta Airlines, Kodak, etc., highlighted that there is a particular impact of organizational culture on the economic performance of these organizations. (Zorleţan et al., 1995, p.192)

In a number of *Revue française de gestion* dedicated to the concept of corporate culture, the French author Jean-Luc Vachette noted the emergence of the "corporate culture" concept in the United States of America at the end of the '70s, a concept equivalent to that of enterprise culture. The emergence of the organizational culture concept was perfectly in line with the need of the companies at that time to "mobilize the entire staff of the enterprise and make them adhere to the unique identity of the organization." (Vachette, 1984, p.74)

In the early '80s, the first books on organizational culture appeared, such as: *In Search of Excellence*, by Thomas J. Peters and Robert H. Waterman; *Theory Z: How American Business Can Meet the Japanese Challenge*, by William G. Ouchi; *Corporate Culture*, by Terrence E. Deal and Allen A. Kennedy. Extremely suggestive for the

spread of the concept is that, in 1981, the prestigious Harvard University introduced its first course on corporate culture.

Peters and Waterman, (1982) in *In Search of Excellence*, which became a very successful bestseller, defined organizational culture as “a dominant and coherent set of values shared by the members of the organization, induced by symbolic means”. The two authors made an extremely important contribution to the dissemination of this concept, demonstrating through concrete cases that there is a close connection between the dimensions of the organizational culture and the performances obtained by renowned corporations.

The definition given to the organizational culture by the author Antonio Strati is also interesting: “Organizational culture represents a set of symbols, beliefs and patterns of behavior learned, produced and recreated by people who dedicate their energy and work to the life of an organization. It is expressed in the design of the organization and of the work, in the built manifestations of the culture and in the services that the organization produces.” (Strati, 2010, p. 578)

The American researcher Edgar Schein defines group culture as “a model of basic hypotheses shared by the group in solving problems of external adaptation and internal integration, which have worked well enough to be considered valid and therefore to be passed on to other new members, as a correct way to perceive, understand and feel about those issues.” (Schein, 1992, p. 15-18).

According to the author Geert Hofstede, the organizational culture can also be defined as “a collective mental programming, which distinguishes the members of an organization from the members of another

organization.” (Hofstede, 2008, p.208)

The French author Maurice Thévenet appreciates that there is an organizational culture specific to each enterprise, “consisting of the ways to respond to current situations in the professional life” and proposes a description of the organizational culture, analyzing it as an essential resource of the organizations, which has to be taken into account by the management. (Thévenet, 2010). The Romanian authors Nicolescu and Verboncu defined the organizational culture as a “set of values, beliefs, aspirations, expectations and behaviors outlined over time in each organization, prevailing within it and directly and indirectly conditioning its functionality and performances.” (Nicolescu and Verboncu, 2008)

The authors Burduş and Căprărescu defined the organizational culture as “a set of artificial products, of the basic values and concepts, of the ways of thinking and behavior generally accepted in an organization as a common base for action.” (Burduş and Căprărescu, 1999, p.183)

Beltran and Ruffat (1991) in their research paper define the enterprise culture as functioning as a metaphor on which the contemporary authors’ various opinions on enterprise are explained. The analysis of its content highlights both convergent and contradictory points, being a useful tool to express the reality within an organization. (Beltran and Ruffat, 1991, p.25).

Organizational culture is a set of shared assumptions that guide what happens in organizations by defining appropriate behavior for various situations (Ravasi and Schultz, 2006)

According to some American authors, the organizational culture “involves rituals,

symbols and stories associated with a category of people, providing an image of people's beliefs and values, of things that are important to them, and of the reasons behind these choices." (Dygert and Jacobs, 2006, p.21)

Culture also includes the organization's vision, values, norms, systems, symbols, language, assumptions, beliefs, and habits (Needle, 2010)

Culture is based on shared attitudes, beliefs, customs, and written and unwritten rules that have been developed over time and are considered valid.

Human Synergistics International, founded in 1971, which has earned an international reputation for innovation in organizational development, defines culture "in the organizational context as being the shared norms and expectations that govern the way people approach their work and interact with each other. Such norms and expectations shape how organizational members believe they are expected to behave in order to fit in, get things done, and at times simply survive." (HSI, 2019).

In the specialized literature the following terms can also be found: "corporate culture", "workplace culture" and "business culture".

The culture of the workplace controls the way employees behave amongst themselves as well as with people outside the organization. The culture decides the way employees interact at their workplace. (Schein, 2010).

Business leaders are essential to creating and communicating their culture in the workplace. However, the relationship between leadership and culture is not one-sided. While leaders are the main architects of culture, a dedicated culture influences what kind of leadership is possible. (Schein, 2010, p. 15-18).

As organizations acquire a defining structure and a distinct identity, after they begin to accumulate specific values, they become a subject which is more and more frequently studied by researchers, and their analysis is refined by moving to the processes and mechanisms that make their functioning possible. (Bran, 2019).

According to Jeffrey Sonnenfeld, Professor at Harvard Business School and president of the Chief Executive Leadership Institute, the main types of organizational cultures are: Normative Culture, Pragmatic Culture, Academy Culture, Fortress Culture, Baseball team Culture, Process Culture, Bet your Company culture. (Pfeffer et al. 2000).

3. Models of organizational culture

In this section of the paper we will present two representative models of organizational culture developed over time.

Schein's Model

Edgar Henry Schein, born in 1928, renowned professor at MIT Sloan School of Management, has studied extensively the field of organization management.

Schein believes that any organization does not adopt a culture in a day, but it is formed in a longer time, as the employees go through various changes while solving problems and adapting to the external environment. The employees gain from their past experiences and start practicing it daily, thus forming the workplace culture. In this respect, the new employees will endeavor to adapt to the new culture as best as possible. (Schein, 2010).

The culture, in Schein's opinion, must be examined at the level of basic hypotheses

kept by the members of a group that share the same historical structures, stored at the unconscious level of the members of the organization and that provide direction and meaning for man's relationship with nature and with reality.

Schein (MSG, 2010) proposes a model of organizational culture structured on several levels:

a) Artifacts

The first level is given by the characteristics of the organization that can be easily viewed, heard and felt by individuals, collectively known as artifacts. The dress code of the employees, the office furniture, the facilities, the behavior of the employees, the mission and the vision of the organization are part of the artifacts and go a long way in the decision of the workplace culture.

Artifacts are considered materialized expressions of the basic values and hypotheses.

b) Values

The next level, according to Schein, which constitutes the culture of the organization, is the value of the employees. The values of the individuals working in the organization play an important role in the decision of the organization culture. The thinking process and the attitude of the employees have a profound impact on the culture of any organization. Thus, the mentality of the individual associated with any organization influences the workplace culture.

c) Assumed Values

The third level represents the values assumed by the employees, which cannot be measured, but make a difference in the culture of the organization. There are certain beliefs and actions that remain hidden and

that affect the culture of the organization. The inner aspects of human nature can be found at this level of the culture of the organization. An example, in this sense, would be that female employees do not want to have late hours meetings, while male employees would have no problems. Organizations follow certain practices that are not discussed, but are understood.

Organizational Culture Inventory (OCI) Model

Robert A. Cooke is CEO and Director Human Synergistics International, Associate Professor Emeritus of Management at the University of Illinois at Chicago and has served as Study Director on numerous research projects on management, organizational change, and human subject experimentation.

Cooke believes that every employee has a way of behaving in the workplace that he or she considers right and would help him or her survive in the organization for a long time. Individuals with different backgrounds and interests come together in an organization to achieve a common goal. Thus, according to Cooke and Lafferty, the culture of an organization is the way employees behave in the workplace to ensure a stable future and growth. (Cooke and Lafferty 2019).

The Organizational Culture Inventory (OCI) model proposed by Cooke and Lafferty is the result of more than 20 years of research and complex integration of questionnaires. The OCI model measures the attributes of the culture of the organization that most closely relate to the behavior and performance of the organization.

Cooke proposed three types of culture in the organization:

► Constructive Culture

There are organizations that encourage interaction among their members. The employees have the freedom to share their ideas, exchange information and discuss things in order to reach a solution that is beneficial to all. Conflicts arise when the employees feel neglected and are not allowed to express their opinion. A constructive culture encourages discussion and exchange of ideas among the employees and motivates them to achieve the best results.

► Passive Culture

In a passive culture, the main motive of the employee is to please the superiors, to consolidate his position safely within the organization. Thus, the employees respect the guidelines and the rules imposed only to save their work place.

► Aggressive Culture

Organizations that follow an aggressive culture promote competition among the employees. The employees are encouraged to compete with one another, so that each one performs better than his or her colleagues. In such a culture, employees who seek the assistance of a colleague are often labeled as incompetent employees. Each employee aims to gain power, attention and strives to gain as much appreciation as possible.

4. Research methodology

In order to reach the aims of the paper the authors employed a quantitative research method. The information was acquired by desk research. The literature review was based on a comprehensive search into

numerous sources of secondary data, such as articles and books from the domains of management, culture, history and economics. The research was carried on in the Central University Library and in the Academy of Economic Studies Bucharest Library where several electronic databases were located and consulted (e.g., JSTOR ProQuest, Emerald Insight)

5. Analysis and discussion

We will perform a correlative analysis of the models of organizational culture presented, highlighting the main advantages, but also their limitations.

The phenomenon that will form the object of Schein's model is the "culture" itself.

Regarding the first level, the artifacts, we will take the AB organization as an example and, according to the model, we will have the following characteristics:

- Nobody in AB organization is allowed to dress casually.
- The employees are very strict regarding the observance of the deadlines and ensure the fulfillment of the tasks within the set period of time.
- The employees respect their superiors and avoid unnecessary disputes.

In the case of the CD organization, we will have the following characteristics:

- The employees can wear whatever they want.
- The employees make use of observations at the workplace and easily engage in mutual controversies.
- The employees of the CD organization are least bothered by the work and spend most of their time discussing and gossiping.

In the example above, the employees of

AB organization wear a suit (costume) that emanates professionalism and strictly respects the organization's policies.

In the case of the CD organization, its employees have a relaxed attitude and do not take their work seriously. The AB organization follows a strict professional culture, while the CD organization follows a weak organization in which the employees do not accept things voluntarily.

Schein's model has as main strengths the careful approach given to the employees and their daily experiences, thus forming the culture of the workplace.

Cooke's OCI model is more complex and is used by Human Synergistics International. The model is presented on the Circumplex chart offering a visual perspective and a common language for all levels of the organization. (Cooke and Lafferty 2019).

According to the OCI model, the employees' answers to the questionnaires are summed up and analyzed electronically in order to generate a report that supports the cultural change initiatives of the organization.

The model measures the current culture of the organization in terms of behavioral norms of the members of the organization to meet its expectations. The employees' responses are cumulated and transposed on the Human Synergistics Circumplex to show the relative power of Constructive, Passive and Aggressive norms within the organization.

Thus, we capture the following aspects with regard to:

⊙ Constructive Culture:

▶ Achievement. A constructive culture helps the employees reach their goals within the set time frame.

▶ Self-Actualizing. In this type of culture, an employee remains motivated and realizes their full potential.

▶ Humanistic-Encouraging. The employees offer the highest level of services and strive to promote the image of the organization.

▶ Affiliative styles. The employees avoid unnecessary conflicts and disputes, promoting a positive workplace environment.

⊙ Passive Culture:

▶ In such a culture, the employees cannot make decisions on their own. They must obtain the approval of the hierarchical superior before implementing any idea.

▶ The employees are bound by the rules and regulations of the organization and act only in accordance with the prescribed standards.

▶ The performance of the employees depends on the decisions of the superior and follows his orders.

▶ The employees tend to avoid their own interests, satisfactions and act in accordance with the organization's policies.

⊙ Aggressive Culture:

In the above culture, the employees are aggressive, compete with each other and try to become perfectionists. The employees identify their mistakes and manage to minimize them.

The characteristics of this type of culture are: power, opposition, improvement and competitiveness.

The OCI model has several advantages:

a) signaling and validating the need for cultural transformation

b) programs to increase the implementation of the strategy, quality and reliability of customer service

c) evaluating and improving the organization's openness to a cultural change

d) facilitating mergers, strategic alliances

e) assessment of the impact of change by using the periodic culture questionnaire to identify the progress made

Consequently, after completing this model, the organization acquires a vision of the ideal culture, in terms of behaviors that would allow them and the organization to achieve their mission and goals and successfully implement their strategic initiatives.

Thus the idea of continuous change is induced, a reality that all organizations are facing in the current period. The limitation of this OCI model could be related to its accreditation for one or more of the team members who will have the necessary skills to identify the right levers to change the culture in the long run. This limit could be lowered by adequate training of the management team and all human resources directly involved in the change process.

6. Conclusions

In order to make an organization work properly, the organizational culture must be passed on to the new members with conviction and they must perceive it as valid. If every generation entering the organization brought new values and perceptions, culture would no longer be stabilizing for the

organization. This process of transmitting the organizational culture to the new members allows its testing and validation. The sum of ideas, values, expectations, attitudes and norms is the binder of the organization. Organizational culture can, therefore, be regarded as the way in which the organization solves problems in order to achieve specific goals and survive in the long term.

Organizational culture improves the stability of the organization and gives its members that understanding they need to discover the meaning of events and activities that take place in the organization (within the everyday activities). Organizational culture is centered upon the concepts of external adaptation and internal integration.

Culture is an integral part of the organization, difficult to manipulate, a mixture of values, beliefs, norms, ways of thinking, professional traditions and a language shared by the members of the organization.

The models of organizational culture in the specialized literature emphasize the understanding of the functioning aspects of the organization and their members, the important role given to human resources in the organization, and the approach of culture as a variable with major impact on the organization's performance.

REFERENCES:

1. **Beltran A., Ruffat M.**, (1991). *Culture d'entreprise et histoire, Les edition d'organisation*, Universite Paris, p. 25.
2. **Bran, L.** (2019). *Creating a knowledge-sharing culture: six top tips on building and sustaining it*", Development and Learning in Organizations, Emerald Publishing Limited, vol. 33, no.5, Available at: <https://www.emerald.com/insight/publication/issn/1477-7282/vol/33/iss/5> (accessed 10 October 2019).
3. **Burduş E., Căprărescu Gh.**, (1999). *Fundamentele managementului organizației*, Ed. Economică, București, p. 183.

4. **Coleman J.**, (2013). *Harvard Business Review*, *Six Components of a Great Corporate Culture*, [online] Available at: <https://hbr.org/2013/05/six-components-of-culture> (accessed 20 November 2019).
5. **Cooke, R., Lafferty, J.**, (2019). *Human Synergistics International*, (HSY) Available at: <https://www.human-synergistics.com/change-solutions/change-solutions-for-organizations/assessments-for-organizations/organization-culture-inventory> (accessed 23 October 2019).
6. **Dygart C.B., Jacobs R.A.**, (2006). *Managementul culturii organizaționale. Pași spre succes*, Ed. Polirom, Iași, p. 21.
7. **Hofstede G.**, (2008). *Managementul structurilor multiculturale. Software-ul gândirii*, Ed. Economică, București.
8. Human Synergistics Romania (HSR) (2012), *Dezvoltare Organizațională* [online] <http://www1.human-synergistics.com/ro/abordarea-noastr%C4%83/dezvoltare-organiza%C5%A3ional%C4%83> (accessed 27 October 2019)
9. **Ionescu, V., Bolcaș, C.** (2015). *Management of Organizational Change Processes*, Manager 22:88-95.
10. **Needle, D.**, (2010). *Business in Context: An Introduction to Business and Its Environment* [online] Available at: https://books.google.ro/books/about/Business_in_Context.html?id=kJsDgqM6tcC&redir_esc=y (accessed 26 October 2019)
11. **Nicolescu, O., Verboncu, I.**, (2008). *Fundamentele managementului organizației*, Ed. Universitară, București.
12. **Peters, T., Waterman, R.H.** (1982). *In Search of Excellence-Lessons from America's Best-Run Companies*, HarperCollins Publishers, London.
13. **Pfeffer, J., Chang, V. Elsbach, K.**, (2000), *Case: Jeffrey Sonnenfeld: The Fall from Grace*. [online] Available at: <https://www.gsb.stanford.edu/faculty-research/case-studies/jeffrey-sonnenfeld-fall-grace> (accessed 25 October 2019).
14. **Ravasi, D.; Schultz, M.** (2006). "Responding to organizational identity threats: Exploring the role of organizational culture", *Academy of Management Journal*, 49 (3): 433-458.
15. **Schein E.H.**, (2010). *Organizational Culture and Leadership*, 4th Edition, John Wiley and Sons, Inc., USA, p. 15-18.
16. **Schein E.H.**, (2010) in *Management Study Guide (MSG), Types of Organization Culture*, [online] Available at: <https://www.managementstudyguide.com/types-of-organization-culture.htm>, (accessed 26 October 2019).
17. **Strati A.**, (1992). *Organizational Culture*, Berlin-New York, p. 578.
18. The Business Dictionary online (2019) "Organizational culture". Available at: <http://www.businessdictionary.com/definition/organizational-culture.html> (accessed 26 october 2019).
19. **Thévenet M.**, (2010). *La culture d'entreprise*, Ed. Puf, Collection Que Sais-Je, numéro 2756.
20. **Vachette J.L.**, (1984). *Revista franceză de gestiune, Peut-on mettre en évidence la culture de l'entreprise*, nr. 47-48, sept.-oct. 1984, p. 74.
21. **Zorlețan T., Burduș E., Căprărescu G.**, (1995). *Managementul organizației*, vol. I-II, Ed. Holding Reporter, București, p. 192.