

ORGANIZATIONAL CULTURE AND HUMAN FACTOR OF ORGANIZATION

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Abstract

The contemporary organizations reflect a part of the needs and values of the society in which we live. One of the essential issues of human resources in organizations represents the union of individuals' efforts to achieve certain objectives undertaken by the managers of organization. The objectives can be achieved only if the actions of individuals are organized both in fields of activity and at company level in general.

Keywords: organization, organizational culture, human resources

JEL classification: M10, M12, M14

1. Introduction

A condition of human evolution was and is the belonging of the individual to a social group. This is because since ancient times, people have felt the need to belong to a group, to organize and interact with other peers. The mechanism which assures the organization of individuals in a society is represented by institutionalization, formalization and standardisation of interhuman relations and behaviour of individuals.

The contemporary organizations reflect a part of the needs and values of society in which we live and have an important role in achievement of society's goals. One of the essential issues of human resources in organizations represents the cooperation character, which implies the union of employees' efforts to achieve certain goals. The goals can be achieved only if the actions of human resources are organized both in organizations and at company level in general.

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2. The concept of organizational culture

Organization is composed of a social group acting according to its norms with the purpose to achieve the goals proposed. The notion of "organizational culture" was launched for the first time by A. Jay in the year 1967 "it is known for some time about corporations that they are social institutions with customs and taboos (...) and many sociologists studied them and wrote about them. But they are also political, authoritarian and democratic institutions, pacifist and warlike, liberal and paternalistic".

In order to define the organizational culture we start from the individual, because people are those who founded and developed the culture of an organization. It is founded of symbols, traditions, values, rituals and behavioural norms accepted by the majority part of employees of an organization. The culture of organization underlies the activity of an organization and determines the adjustment to the external environment of the organization.

There are specialists who believe that in an organization we encounter both an organizational culture and a culture of organization. The two types of cultures can only relatively be separated at a given time of existence of an organization or by the implications they assume on the processes and phenomena of an organization.

The notion of "organizational culture" is more complex, being oriented both towards the study of internal environment of the organization and the external environment.

Among the definitions given to organizational culture in specialized literature, we mention:

"Practically all company processes, regardless of their nature – managerial, economic, technical, legal etc. – are sensibly influenced from the point of view of content and method of deployment of organizational culture" [Niculescu & Verboncu, 1997]

"The culture of an organization refers to a unique configuration of norms, values, beliefs and behavioural modes which characterise the manner in which groups and people associate to accomplish certain things." [Eldridge & Crombie, 1977]

"Culture is a system of informal rules, which describes how people should behave in general" [Deal, 1982]

"Culture consists of beliefs, attitudes and values that normally exist in an organization. More simply, culture is the way in which we do things here" [Furnham & Gunter, 1993]

The theoretical and practical preoccupations regarding the organizational culture show a new approach of human resources in modern organization and a new management involved. At the same time the organizational culture by the problems studied and the implications hence resulting exceeds the scope of organization management.

3. Organizational culture and human resources in organization

A basic component of organization culture is knowledge, which is given by the system of knowledge and skills used by the employees in the activity carried out in the organization to which they belong. Although it is based on data and information, knowledge is in close connection with individuals. This data and information represents the foundation in the process of acquisition of knowledge, and at the basis of action of individuals in an organization there are cognitive models. The knowledge acquisition process is a slow process, which evolves in time and has both an individual and collective dimension. The information which exists in an organization is stored in the memory, experience, talents, and individual skills of employees. Modern organizations recognise the role of knowledge in obtaining success, that is why they take care more and more of detection and maintenance of talented, competent persons. The collective knowledge consists of networks of relations established between persons, rules, norms and values shared by the community members and it does not represent a simple summation of information held by individuals.

Any human action directed at the transformation of external environment can be regarded as a process formed by three stages:

1. realization of objectives;
2. evaluation of result obtained;
3. change of mode of action in line with the new conditions.

The application of this interpretation of culture at organization level allows for the examination of organizational culture as a continuous process composed of the three stages mentioned above. This process corresponds to all the types of organizational activity, is objective, inherent to any organization, and is self-organized.

In the structure of social relations in the organization we distinguish two levels: normative, which refers to values, norms and is composed of a relatively coherent and consistent set of unwritten rules, common beliefs which regulate the behaviour of participants in the interactions and practical activities in organization and behavioural, which refers to the real behaviour,

the activities and interactions between participants. What characterises a social system is the assembly of values which express the unity of the group. In order to accomplish a social integrity in organization it is necessary to have a new management principle – the management by values. The values reflect the general orientations of a culture, correspond to models to be, to think, to represent, to motivate and to act. They assure the internal integrity of the organization and its adjustment to the external environment. These values can be classified in:

- integrative – they assure the integrity of an organization, by referring to the attitude towards: a person (collectivism / individualism); authority (equality / hierarchy); nature of interhuman relations (universalism / particularism); human nature (good/bad), third parties (competition/cooperation) etc.;
- adjustment – they have in view the relations with: mode of operation (avoidance/undertaking of uncertainty); nature (harmony/control); nature of truth (rational / affective); nature of reality (material/imaginary); status in society (merit / position) etc.
- relational – refers to the way in which a community defines itself in relation to: change (pro-active/passive); time (monochronic / polychronic); space (private / public); method of communication and nature of language (explicit / implicit) etc.

The system of values serves as reference norm in organization and is represented by the assembly of interdependent ideals, characterised by coherence, which allows for the justification of each component in comparison with other components.

The values are a central element of personality, they find their reason in the context of individual or group, they are not simple loans. They resemble attitudes which have roots in the subconscious of organization members, because they were internalized beforehand, then integrated in organization. D. Pearnin and J. Legres elaborated a set of professional values with six steps:

- Wages – money is considered an essential reason for behaviour.
- Freedom – autonomy – independence, desire not to be subject to a hierarchy.
- Prestige – the need to be admired; attributes of power (uniform, luxury office, car etc.).
- Stability – in order to obtain it, the individual accepts a work which does not interest him, a negative ambiance.

- Organization – close-up there are planning, order, regulations.
- Resolution of problems – out of the need to express his intellectual potential, the employee solves the problems he is facing in the most effective manner.

An essential feature of culture is the elaborate style transmitted to the individual by an assembly of values, rules, collective representations, which is accepted in the deepest human relations. Certain ideas are transmitted from one generation to another. The system of values is connected to them, and the system of values in turn can determine the behaviour and activity of the individual and social groups, their way of thinking and perception. But these values are conservative, some of them do not correspond to the requirements of time, and new others are required. This is a permanent process of renewal of values. But a radical change of cultural values represents a slow and lasting process.

To change radically the values to which the members of an organization adhere is not an easy task, they cannot be changed overnight. It takes time for the new values to occupy their place in the human conscience.

It is worth mentioning that the representations of what is good or evil, right or wrong determine often our opinions about the behaviour in organization, about what happens or what should happen in an organization. But those values often differ not only according to our past or our social position, but also according to the norms characteristic of each age, which represents the general expectations of the society regarding the adequate behaviour of a person.

The integral development of personality is determined by the degree and content of assimilation of fundamental values. The selection of a system of values for a certain group corresponds to a search for optimization, by an education process. The formation and protection of general human values and the creation of conditions for their free "circulation" represent the purpose of spiritual education. The history proves that man and mankind have surpassed the states of crisis by education and learning whenever they were in crisis.

The change of culture of an organization implies the replacement of basic conceptions and instrumental values accepted by its members. The need of a cultural change can be caused by the low performance or some differences between the strategy adopted and the values accepted in organization, the low capacity of adjustment of an organization to its environment or its resistance to novelty.

When the actions of the team are based on official values, the culture has the chance to become strong. It just has to be consolidated, its values are not only declared, but they are also shared by the team members. The cultivation of common values leads to the integration and consolidation of the effort of all employees, their devotion to the organization in which they act. If the interests of the employee coincide with the interests of organization, he has a special attachment to the organization, he considers it his and thus increases the efficiency of organizational activity, by raising the level of work productivity, and by using more rationally time and resources. When people are motivated and remunerated for their work, when there is trust and mutual understanding between the employees and the manager, the organization can be run as an integral body with the help of values and norms of behaviour. The organizational culture exerts a significant influence on the members of organization; managers are more interested in it, because it is a method of increasing the organizational efficiency.

The functional description of organizational culture completes its definition as way of thinking and action of a human group.

The cognitive function of organizational culture concentrates the social experience of the group.

Culture has the capacity to accumulate knowledge about the method of performing the activity, makes possible the knowledge of its characteristics. The information and knowledge involve the dimensions of training and education, which means that the explanatory issues are always accompanied by valorised evaluative aspects. In order to achieve its goals and purposes, the organization uses the knowledge and skills of its employees. Thus, it increases the quantity and quality of economic resources at its disposal.

The system of values forms certain value-like orientations for the individual. Man appreciates according to his value criteria the actions, events, social or interhuman relations and opts for these criteria so that his life acquires strong virtues. The storage and transmission of values and traditions of an organization represent the axiological function of organizational culture, which is often underappreciated or neglected. The organizational culture is the main depository of values and traditions specific to each organization, being outlined over time. It is especially important when generations change in the organization that these values are maintained.

The values and behavioural norms which characterise a certain society can come in conflict with the goals of organization, that is why the function of maintenance of a moral positive sociocultural model for organization and

society is necessary by the keeping and transmission of values and beneficial traditions to the organization and to society in general.

The integration function of employees in the organization reflects the process by which organizational culture synthesises the interests of all individuals, creates the feeling of identity. This allows each employee to get aware of the goals of organization, to have a clear vision of it, to feel part of a system, by perceiving his role and responsibility towards the organization. The main function of the organizational culture is to form for all members of the team the feeling of identity, of belonging to the organization, the image of collective "we".

Apart from the formation of a common opinion, the organizational culture assures the harmonization of individual and collective interests. Each member of organization gets aware of his/her role in the system, what is expected from him/her and how he/she could meet those expectations in the most successful way. Also the individual knows that he/she will be remunerated if he/she fulfils his/her tasks consciously. Finally, each knows that if he/she violates the written or unwritten rules, he/she will be punished and this threat comes not only from management, but also from colleagues. The system of values appears as a condition of maintaining the internal balance of the human group. Thus, the most dynamic and complex function of organizational culture is the function of directing the employees towards the realization of organizational tasks. "Its vocation is to contribute to the triggering of dormant energies of employees for the realization of certain actions carried out in certain economic conditions, so that the objectives included in strategies and policies of the company are fulfilled".

The organizational culture fulfils the regulatory function and contains both formal and informal laws, which indicate how a person should behave humbly in the work process. These laws determine the current mode of action in organization: succession of work processes, the character of employment contracts, the form of exchange of information etc. Thus, the work process acquires a systematic nature. Also, according to this process the behavioural norms with business partners are elaborated, which implies moral responsibility.

The integration and regulatory functions facilitate the increase of work productivity in organization because the feeling of identity and perception of values increase persistence in following goals and fulfilment of tasks. Because of existence of informal norms, which regulate the activity of organization, the

uncoordinated actions are removed, time and resources are saved in different economic situations.

Because following the economic activity the organizational culture facilitates the increase in quality of products and services proposed by organization, the quality of work turns into the quality of production, which accomplishes the quality management function.

The function of adjustment of organization to external environment. The economic, social, political, scientific, legal context etc. incorporates evolutions which can affect positively and negatively the community of employees in the organization. There are threats such as: economic – if you do not change, you risk getting eliminated from business, you lose your position on the market; political – a more powerful group can have certain advantages; technological – you may lag behind; legal – fines, privation of freedom; moral – you may be considered socially irresponsible.

The function of legitimization of organizational activity – is one of the most important functions of organizational culture from point of view of its formation, because it explains the method of doing the activity in organization and the behaviour of employees in organization. The American sociologist T. Parsons considers that at society level "by legitimization of normative rules, the cultural symbols of values assure a direct connection between the social system and the cultural system". At organizations level a major importance has not only the national culture, but also the institutional culture. M. Bond claims that in some cases the institutional culture can be stronger than the national culture. By institutional culture this author understands the particularities of organizational culture, which by analogy with the national particularities are formed during the development of a concrete organization, reflect the evolution of organization in time. This is how he explains why the companies which operate in a national culture are not all equally efficient. For example, the Sony Company has better results than Matsushita, although both of them are Japanese.

The organizational culture also fulfils the function of assurance of an adequate framework for organizational development. For competitive contemporary organizations it is characteristic the higher dependence of performances on their organizational capacity, whose essence consists of integration of specialized knowledge of employees. In realization of this integration, normally the organizational culture has an essential contribution. The research proves that on long term the knowledge of organization members represents the main source of its competitive advantages. The organizational

culture has to privilege the formation and maintenance of cognitive models capable of determining the fast feedback, flexible and resistant to exogenous and endogenous threats.

4. Conclusions

The organizational culture includes both the material and spiritual aspect of an organization. It is formed by a system of values, rituals, symbols and behavioural norms, accepted by most of team members, who are aware of its economic and social role, the position occupied towards its competitors, and the commitments towards its partners etc. In the group a special psychological atmosphere is created, characteristic for this organization, which offers it distinction, making it be different from other organizations.

Culture is so important for an organization. Lynn concluded that the organizational culture is efficient in the successful use of intellectual capital. Schein suggested that the culture of an organization helps it to face its environment. The culture of an organization and the vision and its purpose must be aligned for the organization to change. Culture influences the communication skills and the decision-making process of organization members and affects its credibility. The organizational culture also forms the socialization and learning level of organization, Cooke & Rousseau, 1988. Kowalczyk & Pawlish correlated the importance of culture with the competitive edge of an organization, its adjustability and level of innovation. The culture of an organization can affect the operations of the organizational system, productivity, management actions, performance and organizational efficiency. The research showed that culture influenced the commitment of employees and their behaviours.

5. References

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