



The 6th International Scientific Conference
**“DEFENSE RESOURCES MANAGEMENT
IN THE 21st CENTURY”**
Braşov, December 02-03, 2011



THE IMPORTANCE OF KNOWING AND USING THE ORGANIZATIONAL CULTURE

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Abstract:

The organizational culture is formed of values, basic concepts ways of thinking and behaviors generally accepted in an organization as being the guidelines for action. Usually it reflects the way things are done, the accepted manner to accomplish a task or to solve a problem. It is important for the organization because its members share common values and act accordingly therefore, this behavior has a strong impact upon the efficiency and effectiveness of the company.

Key words: organization, culture, values, norms, behavior, beliefs, visible, invisible.

1. Introduction

Ever since the 1980s, a lot of attention has been given to the visible and invisible specifics of the organizational life. When a group of people work together for a longer period of time they come to share common values and opinions upon the organizational life, upon what is beneficial and adequate for the progress and success of the organization. They contribute to the development of some models of thinking and they set models of behavior in accordance with the experience accumulated within the organization, with its interests and strategic objectives. All these models form the organizational culture.

2. The concept of organizational culture

The concept of organizational culture originates in anthropology where it is used to refer to all the patterns of behavior, specific to a social group and which are inherited or socially transmitted. Later, when this concept started to be studied as part of the management domain it became a way of conceptualizing the organization. Management specialists tried to understand organizational culture more from a corporatist and businesslike point of view than an anthropological one. Anthropology aims to understand the human being in the context of the national and organizational culture while management does not aim to understand culture as a phenomenon nor its implications upon organizations but tries to use certain information to create the best strategy to employ human resources as efficiently as possible. Organizations have to understand their culture because it is part of their mechanism and because it can be used to improve their efficiency.

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Specialists tried to approach culture from different perspectives in order to define it as thoroughly as possible. J. Gordon, R. W. Mondy, A. Sharplin și S. Premeaux see it as a system of common values, beliefs, shared behaviors which interact with the formal structure in order to produce norms and regulations [1] and set the operational standards of an organization. Culture tells every individual how to act in different situations; the way one person or a group behaves, defines normality for that organization and whatever exceeds that normality will be sanctioned according to the specific culture. Culture is determined by a set of visible behaviors which form its basic level. Underneath this level we find a less visible one formed by the values which define that behavior. At an even deeper level we can encounter the beliefs and assumptions that determine the values.

Other approaches see the culture as having only two levels, explicit and implicit:

The first one (explicit) is created through written and oral communication within the organization. Here we find the norms and internal regulations of the company, this is the level where every employee can find an explanation of the values, of the symbols and myths and of the rituals and ceremonies of the organization. The founders of the organization have an important contribution in setting the reference system of this level since they are the ones who created the cultural models.

The second level (tacit) contains the employees' experiences and individual values which they know in an implicit way but they have never explained to others. This level is less rational and more emotional. It is more profound and the explicit level is based on it. Its composing elements are more resistant to change, and are more difficult to identify due to their implicit and emotional character. This level is just beneath the tacit one; the norms, regulations or values start here. This level is closely connected to the founders; common knowledge and professional reasoning reside here.

Edward Hall identified three levels of the culture and explained them by referring to how they influence learning.

- the formal level – here the concepts are “taught by percept and admonition (...) the learner tries, makes a mistake and is corrected.” , in other words he learns using conceptual and behavioral patterns;

- the informal level – here learning is done through models and imitation;

- the technical level – here learning is done using explicit forms. [2]

The organizational culture constitutes the invisible universe of an organization and it is formed of basic intangible elements, knowledge, emotions, values, norms, beliefs, myths, stories, symbols, heroes etc. This is the soft part and it has a hard counterpart formed of the tangible elements like equipment, machines, infrastructure, money, contracts, employees etc. Large organizations formalize their culture either through their vision statements, mission statements and statements of values or through what we can see in their dress code, the technology they prefer of their conduct code. The soft part of the universe is human and has a cultural orientation while the hard part is technological and has a rationalistic orientation.

In the first half of the past century, the management focused on the technological universe of the organization because it was visible and tangible and it could be rationalized and optimized so that the productivity and profit of the firm could increase. It was only in the last decades of the 20th century that they discovered the vital role of the organizational culture which helped to make the switch from sufficiency to excellence. For better results modern management has to take into consideration both parts of the organizational universe and it has to integrate them if it wants to be successful.

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3. The benefits of knowing and using organizational culture

Specialists started to be preoccupied with the organizational culture only in the beginning of the 1980s, especially after the publication in 1982 of the famous book “In Search of Excellence” written by Tom Peters and Robert H. Waterman. The book presents the conclusions of an extensive research conducted by the consulting firm McKinsey to discover the connections existing between the efficiency and the way a firm is organized. The conclusion was that there were several factors on which performance was based and one of the most important was organizational culture. For the very first time the force of the organizational culture became evident. Even if it is not tangible, the culture has important consequences in implementing the strategies and in operationalizing the decisions.

Even if the culture belongs to the intangible level of the organization’s universe, it affects directly the way decisions are made and consequently the way the organization develops because it integrates and keeps all the values and norms which proved to be beneficial for the organization and the employees. Although at a first glance it might not be very evident organizational culture is very conservatory. When a person tries to integrate into the organizational culture of a firm everything goes naturally, even stimulating but, whenever someone tries to change something in the working environment then this person will have to overcome a strong resistance (the bigger and deeper the change, the stronger the resistance).

In the beginning, the studies on organizational culture had a reactive character since they appeared as a reaction to the exaggerated importance given to technology when organizing and managing the company. This was a reaction to the simplistic way of understanding and explaining the success as being based only on economics and rational decision making. The activity and the success of an organization cannot be reduced only to a simple set of economic indicators, and managerial decision making implies more than rationalizing. For these reasons, the following studies became more complex trying to explain the success/failure of the activity of an organization from a rational/irrational or tangible/intangible perspective.

The organizational culture represents the genetic code of an organization, its norms and regulations whether they are written or unwritten but mandatory. This is why it is very important for strategic management. Organizational culture is conservatory by nature and it will resist any innovation or change thus the name “inert culture”. Still, there is always the alternative to create a “dynamic” culture but it is very difficult. The advantage of such a culture resides in promoting dynamic models of thinking which encourage change and which are more adaptive and react better to challenges.

The organizational culture can be understood as a system of collective thinking which differentiates one group from another. It integrates everything that has a certain value: the style of leadership, the symbols, the norms that are shared by the members of that organization and which are considered definitive, the goals that have to be attained and the way this should be done, in a few words, it integrates everything that defines the success of an organization.

The study of organizational culture helps clarify the importance of human relationships and of the environment from within an organization, the way the human system works and the necessity to create systems of shared values and norms in order to

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help people pursue their goals and obtain the desired outcomes. It is the factor which gives strength and energy to accomplish the goals and therefore the management should take it seriously into consideration and use it to pursue the interests of the organization. The management should try not to cultivate an environment characterized by anti-values like: laziness, dishonesty, irresponsibility, lack of knowledge, lack of transparency etc. because this is antimanagement. The difference between management and antimanagement is made by type of organizational culture which is cultivated. A stimulating organizational culture is based on positive values like: work, honesty, efficiency etc. and it allows the management to obtain performance and excellence. An unstimulating culture based on negative values will foster only lack of performance.

4. Conclusion

Cultural analysis shows the importance of understanding organizational culture and the fact that its impact upon the development and success of an organization should not be minimized or overlooked. Stories, legends, rituals and heroes are key elements of organizational functioning and may actually serve more important objectives than formal decision making. It is very important for all the managers who want to be successful in their activity and to create a positive environment in their organization. Having people whose values are similar with the organization's culture allows them to enjoy working hard and at the same time to meet the company's goals.

References:

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