# Organizational culture - a factor of potential positive influence on the collectivities of any organization

Ramona-Andreea MIHALACHE<sup>1</sup>, Ruxandra-Gabriela ALBU<sup>2</sup>

Abstract: Organizational culture is a relatively new and rapidly expanding concept, but partly invisible and therefore very difficult analyze, offering in the same time the possibility to carry out complex studies. This paper was drawn up into two different organizations - Pentalog Romania, an IT service provider, and House of Dracula Hotel, a tourist unit - and it is based on a research carried out in order to highlight the importance of organizational culture within any entity. Considered a powerful strategic tool, the organizational culture can be used for focusing companies and their staff on joint goals, for mobilizing the initiatives, ensuring loyalty and facilitating intercommunication.

**Key-words:** organizational culture, in-depth semi-directive interview, values, strategy, human resources

#### 1. Introduction

Considering the times where organizations currently perform their activities, the organizational culture became a very important element which may affect the long-term success. A powerful company is defined as an organization with leaders and employees aware of the complex patrimony they hold, as their decisions and actions have the power to orient the energy generated by the organizational culture towards reaching the goals set within the strategies of the organization they are part of.

One of the most famous authors who approached this concept asserted that "culture is a set of fundamental believes about how the world is and how it should be, shared by a group of people and which determines their perceptions, thoughts, values and in a certain extent, the observable behavior" (Schein, 1992).

The organizational culture is approached by Ovidiu Nicolescu as "the ensemble of values, beliefs, aspirations, expectations and behaviors outlined in time within every organizations, which predominate into it and which directly and indirectly conditions its functionality and performances" (Nicolescu, Androniceanu and Năstase, 2000).

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<sup>&</sup>lt;sup>1</sup> Transilvania University of Braşov, mihalache.ramona.andreea@gmail.com

<sup>&</sup>lt;sup>2</sup> Transilvania University of Braşov, ruxandra.albu@unitbv.ro

Năstase Marian also came with an interesting definition: "the organizational culture represents all values, symbols, rituals, ceremonies, myths, attitudes and behaviors governing within an organization, passed to next generations as the normal way of thinking, feeling, and acting and that significantly affect its results and evolution" (Năstase, 2004).

This concept of organizational culture came forward lately and developed thanks to changes of perspective arisen in researchers, managers and entrepreneurs, specialists in different domains, employees, and also professors and students' way of thinking and acting. The development of organizations in terms of number of constituent individuals led to an increasing need of knowing the environment in which any organization carries out its activity, in order to define the factors of influence

Starting from 80s, the importance of studying the organizational culture constantly increased, especially within the studies performed by Geert Hofstede over the regional and national organizational culture (Foris, 2007).

An interesting model approaching the process of evaluation of the organizational culture is the Denison model. The four cultural features measured in the Denison model are: Mission, Consistency, Involvement and Adaptability. Each of these features is divided into three divisions - cultural indexes. As compared to the computed dimensions and indexes, one may identify specific principles and beliefs, the model being oriented in general on two axes: stability/flexibility and internal focus/external focus. Each pair of factors has distinct effects on the organization's performances. Thus, mission and consistency can significantly improve the organization's financial performances, consistency and involvement increase the employees' satisfaction and motivation, involvement and adaptability contribute to innovation capacities development, products and services development, and adaptability and mission influence the sale increase (Denison, Haaland and Goelzer, 2004).

The organizational culture in a company is an element which shall be treated with seriousness and interest. This paper aims to underline the importance of organizational culture into the performance of an organization's daily activity, by analyzing the particularities characterizing the organizational cultures implemented within the two different-in-size service providers (Pentalog Romania, an IT service provider having its registered office in Braşov, and House of Dracula Hotel, a 4 star hotel having its registered office in Poiana Braşov).

Pentalog Romania (http://www.pentalog.ro/) is part of a group of companies, being a French company providing consultancy and engineering services in the field of information systems. For 19 years the Pentalog Group has been considered one of the main economical players on the market of consultancy and IT development thanks to a business model formed by the optimal combination between the services provided locally and the proximity towards the customers, policy known as "Right Cost".

S.C. Acasă la Dracula S.R.L. (http://ro.house-of-dracula.com/) is a 4 star hotel located in Poiana Brașov which stands out through its imposing construction and distinction from other accommodation units, transmitting the theme from the very first contact with the customer. The hotel was built based on the Bran Castle architecture, being a building close related to the Dracula's legend. House of Dracula Hotel currently addresses to various customer categories, providing them with a wide range of services. Thus, it can adapt to individual, national and international tourism, and to group tourism.

# 2. Research hypotheses and objectives

The hypotheses taken into consideration for analyzing the phenomenon under study were: the organizational culture of an organization is a defining element for carrying out the daily activity in an efficient manner, regardless the field of activity; the companies subject to this case study show interest in implementing and improving the practices defining their organizational cultures; a main part of the employees of the companies under study consider themselves motivated by an optimal work environment; the type of organizational culture influences the performances directly; the numerous personnel is the element which influences the necessity of defining an organizational culture.

The research objectives targeted the following: to identify the practice defining the organizational culture of the two companies under study; to identify the way of approaching the employees' opinions in respect of changes and updates brought to the organizational cultures from both companies; to asses employees' attitudes related to the importance of their consideration in setting the elements defining the organizational culture of the company they belong to; to asses the attitudes of the managers of the two companies, for the purpose of defining the factors that motivates their employees in order to be an integral part of the entity; to set certain actions of improvement in respect of the norms comprised within the organizational culture identified during the performed studies; to identify the benefits brought by adopting an organizational culture within the daily activity, both in case of the hotel, and of the IT service provider.

# 3. Research methodology

In order to obtain the information necessary to the topic under research, a qualitative (exploratory) research was carried out for the purpose of identifying the attitudes, reasons and behaviors of the target group members within the companies' subject of the study. The research method was the semi-structured interview, the in-depth semi-directive interview. The in-depth semi-directive interview was used during

discussions had with the managers representing the entities under study, by applying an interview guide.

The sample consisted of 6 persons from the management team of the two organizations - Pentalog Romania and House of Dracula. In order to obtain a well defined general image, we interviewed the managers of human resources and financial, technical assistance and production departments of Pentalog Romania and the hotel, accommodation and commercial managers of the House of Dracula Hotel.

The interview guide was drawn up starting from the four dimensions of the organizational culture defined by Daniel Denison: mission, consistency, involvement and adaptability (Denison and Neal, 2000).

#### 4. Research results

Whereas the research aimed to qualitatively understand a phenomenon, i.e. the importance of the organizational culture within legal entities, the sample size was low, but the amount of information provided by respondents was very high. The participants were selected depending on the title held in the company they belonged to. All 6 interviews were audio recorded.

In both fields of activity the focus is on obtaining highest possible levels of customer satisfaction, goal which can be achieved by providing high quality services with personnel as contented as possible.

Upon processing the information collected from the interviews had with the managers of Pentalog Romania, the following characteristics which define the organizational culture may be outlined:

- The values that drive the organization and which shall be observed by every member are: transparency, quality permanent improvement, social responsibility, commitment, innovation, respect, integrity, teamwork.
- ➤ Decisions are made together with the employees as much as possible, their opinions counting for the management, and the promotion opportunities are assigned depending on competence and expressed wish to grow.
- ➤ General interest information is communicated by email, monthly meetings, internal chat, portals, internal social network, posts on notice board, and within departments the frequency is set depending on necessities for meetings with the entire personnel or with the one attending the workshops in progress.
- There is a higher tendency of individual orientation due to complex tasks falling under the responsibility of certain team members, but in respect of large subjects of interest for more individuals it is encouraged the teamwork.
- ➤ The methods of conflict resolution are relatively different depending on the way the manager perceives the conflict; thus, we may have passivity,

- considering that the incident will solve itself, but there may also be a prompt reaction, by summoning a meeting aimed to approach the issues occurred.
- ➤ The maturity reached by the company conferred in time a high level of adaptability, in respect of the changes which may occur both in the business environment, and at a legal level.
- ➤ The opportunity the company took advantage of was to obtain a financial aid from the government, in order to guarantee the creation of 230 jobs in the next 2 years. This measure of the government is aimed to encourage the development of the technological field and to attract foreign investors on the market
- Failure is part of the company's wish to go forward. Not all start-ups become profitable, failure is still turned into professional expertize and into an opportunity to acquire new knowledge.
- > The organization's mission consists in providing excellent technological services functional for the business partners, together with world-wide multilingualism.

Upon processing the information collected from the interviews had with the managers of House of Dracula Hotel, we may draw the following conclusions defining the organizational culture present within the tourist unit:

- ➤ The values which the organization is based on and which shall be observed by every member are: correctness, respect, equity, quality services, individual responsibility, honesty, continuous planning, individuals' quality, communication and cooperation.
- ➤ The desires of each employee are taken into consideration within the organization, they being involved into the team and individual daily activity management.
- ➤ The communication between the team members takes place in any moment of the day necessary, but there is a habit of meeting at the morning coffee in order to discuss personal aspects and issues to be approached in that day, such moments being considered by the general manager as a stimulation for the employees to provide real feedback.
- ➤ The work is done only as a team, hotel's success depending on everyone's contribution, but of the team as well, fact which proves organization's orientation towards collectivism.
- ➤ The potential conflicts are solved immediately, through individual discussions with those concerned, followed by common meetings, and if a reparative solution is not possible, the next step is separation by different work shifts.
- The hotel has a high level of adaptability, especially because the trend of activities is assessed each year, and as measure to increase the efficiency, the business is approached differently during harsh times.

- ➤ The hotel is in competition with some of the most appreciated accommodation units on the tourist market in Poiana Braşov, i.e. Alpin Hotel, Ana Hotels, Pantheon Boarding House şi Rizzo Boutique, and as a form of adaptation, the general manager constantly studies others' offers, in order to be ready for a potential reorientation.
- Failure is considered an opportunity to learn, although the single time when it was close to happen was when the financial crisis came up, when cost reduction measures were adopted.
- ➤ Organization's mission is already included in the hotel's motto: "Experience the House of Dracula", as the aim is to provide guests with a different experience, more than just accommodation and meal, i.e. the Dracula experience.

## 5. Conclusions and recommendations

The organizational culture is an important tool for understanding the differences that may be between what is visible from outside, what managers officially declare and what actually takes place within the company. By analyzing the organizational culture, we may identify different procedures, rules, values, statements and decisions that may be implemented, next to models of behaviors and attitudes that may comply with the same principles or not.

The obtained results indicate the important role played by the organizational culture in achieving the organizational performances, as the fact that a satisfied, contented employee will be efficient and the customers will be satisfied is generally accepted.

In practice, the study carried out has several relevant potential contributions for the managers; thus, based on the study, one may collect information about own organizational culture, in order to generate a profile of the ideal culture to aspire to. Having this image, a comparison with the real and existing one may be performed, in order to find the reasons why there are differences and what measures could be taken in order to eliminate them.

In Romania, a former communist country which strives to catch up with the occidental practices, there still is a significant hierarchical distance, a high incertitude control, encountering a collectivist culture with individualist accents and feminine features, but with numerous masculine orientations. The feminine culture may be defined as repelling the harsh management practices, and group membership is important for every member, even when we deal with individual interest. During the last years, the organizational culture registered significant changes in Romania, encountering an increasingly higher number of masculine features; as a result, the individual performances started to be appreciated, as rewards consisting of bonuses or other benefits

Both companies chosen for case studies provide services, although the fields of activity differ. House of Dracula Hotel is a Romanian company present on the tourism market for 10 years, all this time reaching maturity and succeeding in creating a favorable and well defined image among the customers they accommodate. The challenge was to analyze a small local company, with no occidental influence, in order to examine the organizational culture which provided them with stability on the market. Studying in parallel an organizational culture with strong French influences, as s short definition for the culture of Pentalog Romania, represented another challenge from the intention to see if the results may be correlated with the company's dimension, origin, field of activity, performances registered on the market it belongs to.

Hotel's organizational culture is well defined, strongly oriented towards collectivism and with a loyal staff willing to provide high quality services so that their guests have a level of satisfaction as high as possible. General Manager's availability for the employees and the constant support he provides during the daily activities determine his dependents to feel part of the team and reliable for the proper performance of things.

Based on the analysis of information collected from managers, the organizational culture defining Pentalog Romania can be determined by identifying the typical features, represented by the occurrence of subcultures within the specialized departments, above which the values govern as a temple dome, going for strictness, precise compliance with the imposed procedures and regulations. The environment can be described as calm and protective, offering the possibility for professional improvement, but the rhythm of promotions is slow, fact which may determine the ambitious employees to leave the organization. This type of culture is known as role or temple and it is common within large organizations with numerous personnel.

The analysis of two different fields of activity provides study with a wider range of representativity, because in a certain way, both attempt to satisfy the external customers by motivating the internal ones. Of course, there are clear differences imposed by size and field of activity, as the approach is adapted to the requirements set by the market they belong to.

A study limit may be represented by the use of an homogeneous sample, the interviews being given by managers, and despite the fact that homogeneity provides a better correspondence between the culture perceived and the one preferred, it can lead to the reduction of result's diversity.

The general conclusion of this study is represented by the idea that culture can be considered as a factor of positive influence for collectivities within any organization, and by the increase of employees' responsibility and involvement into the decision-making process defining the work procedures, the organizational culture can provide a solid foundation for the improvement of services and of the entire strategic evolution of the organization.

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