

## CHANGING ORGANIZATIONAL CULTURE IN A ROMANIAN COMPANY

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### **Abstract**

*The focus on studying the issue of change, migrated from the attention towards western countries, struggling with the growing spread of globalization, which affects all the changes in the environment, to the former socialist countries of Central and Eastern Europe, which have undergone dramatic changes since 1989. The most disturbing event was the transition from the centralized economy system to the market economy system, which led to a series of mutations at both psychological and organizational level. In this context, this article aims to identify both the dominant type of culture in the largest retail company in Romania and the dominant type of culture in other similar companies. This research project aims at studying the culture and its specificity within the company, but also its impact on society and on the organization. The issue at stake is a retail company in Romania, in which we tried to identify the dominant culture within the company and culture desired by its employees. We also conducted a parallel between the culture type identified in the Romanian company and the type of culture identified in other companies.*

*The research results can be a starting point for the manager charged with change, as he can easily identify discrepancies between the dominant culture and culture desired by employees.*

**Key words:** *organizational culture, human resource, need for change, change manager*

### **1. Introduction**

Many historians, political scientists, economists and sociologists have studied intensely the phenomenon of change and determined that this transition consisted of two phases: the first phase is the formation of institutions and mechanisms that enable the evolution and expansion of the market economy; the second phase refers to the social side of change, namely human resource. Studies show that the change process is in progress, given the fact that the human component is the cause that delays this change. The human behavior, conceptions and perceptions of new values, the detachment from the old rules and traditions deeply rooted in people and the transition to a new set of values, all led to a series of contradictions.

Given the fact that the activity of companies is conditioned by technological evolution, many companies rely on staff training when it comes to using these new technologies. Thus, managers must possess not only communication skills, but also technical skills in order to be able to coordinate their staff. They must also develop a positive attitude towards the changes that are inevitable in a changing environment.

Another factor that may confirm the need for change in an organization is stale products. For example, in the electronics industry, the products are obsolete after only a few months after their initial sale. Also, the pharmaceutical industry must respond very quickly to the needs of the population, which is why they have to meet the new requirements. The lifetime of the products is decreasing, the design period of new products must also be shorter, which brings into question the increasing need for implementing change management.

Other elements that signal the need for change within an organization are absenteeism, work accidents and fluctuating labor force. All these draw attention to improving labor conditions, making the motivation process more efficient and involving employees in the decision-making process. At the same time, the need to adapt to the technological progress requires a well-trained human resource, both from the intellectual and technological point of view.

In this context, the role of the change manager is to promote a new attitude, to provide the employees a new perception regarding change. In his book “The Corporate Culture Survival Guide”, Edgar Schein approaches a series of methods by which the change manager can induce the employees that state of “psychological safety”. Of course, the question here refers to the methods used by a change manager or a change specialist in order to defuse the rigid notion of changes.

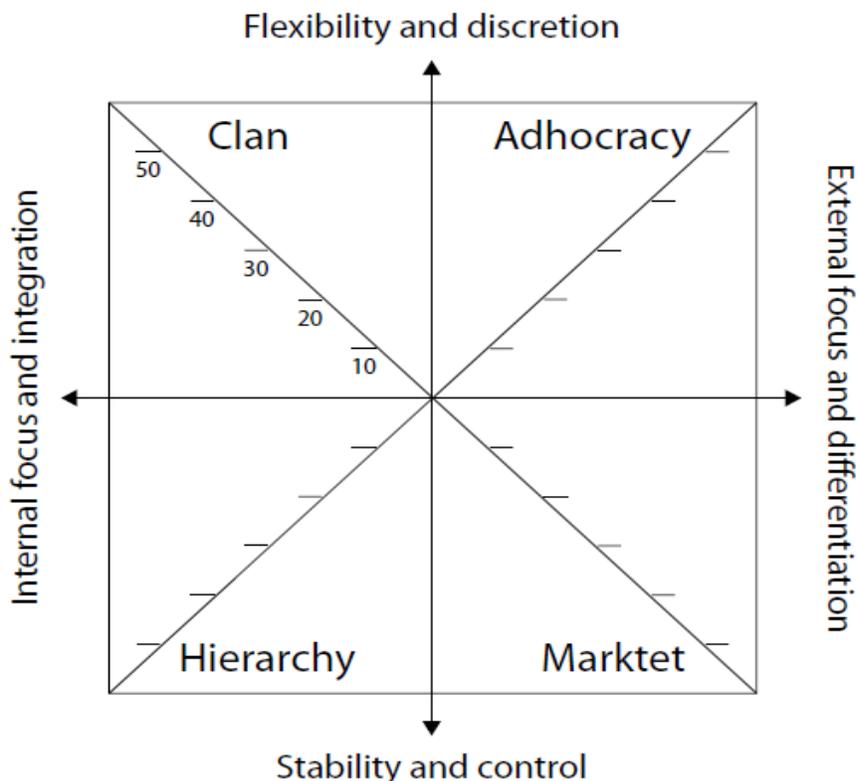
### **2. Identifying the Type of Culture in a Romanian Company**

The present study is an analysis of the organizational culture within the largest retail company in Romania, essentially aiming to identify the dominant type of culture and the need for change within the company. For that purpose, the analysis tool used was OCAI (The Organizational Culture Assessment Instrument), a tool created by specialists Kim S. Cameron and Robert E. Quinn. In the first step, the employees must fill in a questionnaire that describes both the real situation within

the company and the situation desired by the employees, thus outlining the premises and directions of change. Hence, the method can be easily implemented by the change manager, as he is able to identify the inconsistencies between the dominant and the recommended culture of the company, the intensity of culture and implicitly the company’s resistance to change, but he can also compare the data obtained with data from other companies in the same field.

Specialists Cameron and Quinn have developed four quadrants, corresponding to the four types of organizational cultures: on the left side of the chart there is an organization with internal, intrinsic focus (what is important to us, what we wish for at our workplace); on the right side there are the organizations with external focus (those who are organized depending on the market, those who are concerned about the customers’ needs).

If a company is situated at the top of the chart, then we are talking about a company that desires flexibility and discretion, while the company situated at the bottom of the chart indicates the tendency of its employees towards stability and control.



Source:

Cameron, Kim S., Diagnosing and changing organizational culture-Based on the Competing Values Framework

**Core Dimensions of the Competing Values Framework**

**Fig. No.1**

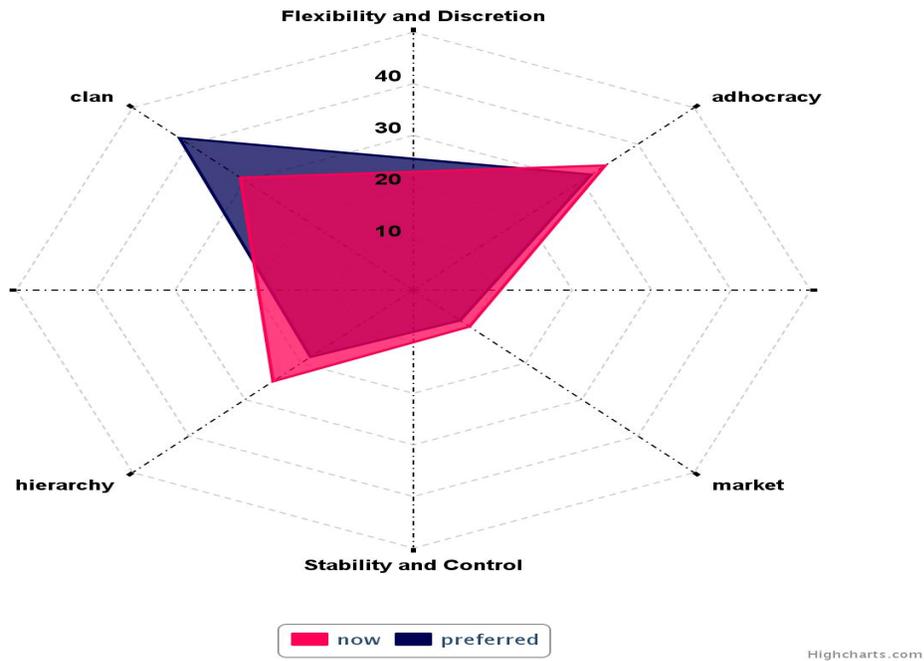
There were a total of 32 employees that answered the questionnaire, of which 27 men and 5 women. The organization that has been under study is a retail company in Romania dealing with the online sale of IT equipment and components, electronics, appliances, personal care items, auto products, sports articles, books, music, movies, home and garden items, pet shops and children’s items.

The result of the questionnaire indicates an adhocracy oriented culture at the company level. The organization with this type of culture represents an extraordinarily dynamic and innovative environment, an energetic workspace, with increasing emphasis on entrepreneurship and on the creative side of employees.

The members of this type of organization are willing to take great risks and have various initiatives. The leaders of this company are creative, visionary people who show initiative, have a very strong entrepreneurial nature, and are always future oriented. The bond that holds the members of this organization together is their commitment to innovation and

progress. If we take into consideration of these characteristic, we can say that the current strategy implemented by the managers fits this type of culture.

	NOW	PREFERRED
CLAN	30.83	41.67
ADHOCRACY	34.17	31.67
MARKET	10.00	8.33
HIERARCHY	25.00	18.33



Culture Type Identified in the Company

Fig. no.2

### 3. Relating the Results to the Average Profile of the Industry to which it Belongs

Another very important stage of the change process refers to relating the results of the company to the results recorded by other companies in Romania or abroad with the same field of activity.

This kind of comparison can generate a series of changes, many managers having the tendency to align with general trends. On the other hand, numerous managers believe that falling under a specific cultural typology identifies with the organization's age, its position on the market and the opportunities offered by that particular country.

In terms of comparing the cultural profile of the organization to the average profile of the industry to which it belongs, it is clear that there are remarkable differences regarding the current state, namely that the average profile of the company fits the diagram and the results as follows:

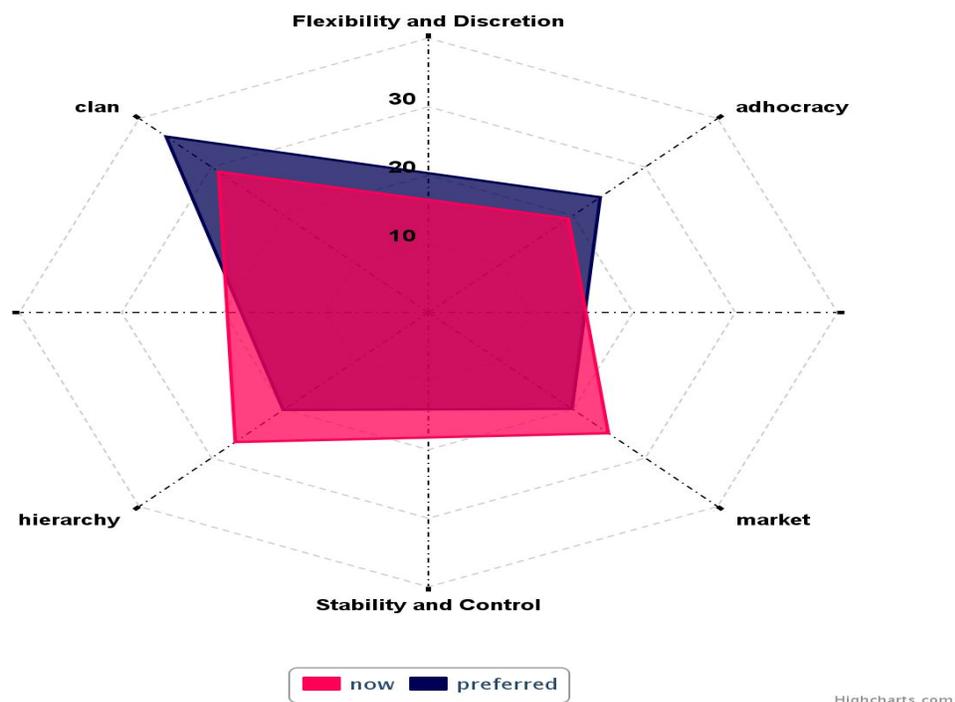
The adhocracy culture registers the lowest score 19.37, thus showing that a retail company is not intended to create new products or services, but only to sell those that already exist. In this sense, the fact that the Romanian market is constantly emerging, developing and adapting to what is new in America enables companies to exploit their competitive advantage through the implementation of new projects, opportunities that have never been explored in Romania. Thus, bringing a concept like Black Friday to the Romanian market represented a new, large project of research and development.

On the other hand, we see the same increasing predisposition of employees to tend to the clan, family-like culture, as an indication that the need to establish human relations is a general and common need, regardless of the size of the company, its geographic region, the opportunities of the market in which it activates or the degree of development of that particular region.

Another aspect that records real differences relates to the scores obtained in the case of the market culture; while the employees do not identify the Black Friday concept as a way to meet the customers’ needs to buy quality products at low prices, but as their need to experience new concepts, the market oriented culture thus registering a very low score (10.00), other similar companies believe it is very important to focus on the customer’s essential need to buy goods at very low prices, thus registering a score of 24.90.

The last type of culture, the hierarchy culture, does not show significant differences (27.00 – 26.71), as the employees focus on issues such as safety at work, the need for rules and regulations or outlining procedures that can ensure the performance of the company.

	NOW	PREFERRED
CLAN	29.02	36.29
ADHOCRACY	19.37	23.77
MARKET	24.90	19.87
HIERARCHY	26.71	20.08



Culture Type Identified in other Companies  
Fig. no.3.

#### 4. Conclusions

Therefore, compared to the results obtained in other companies in the same industry, we identify the same tendency towards the clan culture. Although it has a slightly lower score, the clan culture remains the preferred culture by the employees of large retail companies.

The continuous submission of the questionnaire in different organizations belonging to both the private and public sector led to the idea that most organizations develop a dominant type of culture, a specific personality. Any organization is presented as a cultural mosaic, which is a harmonious combination between several types of cultures. However, every company, regardless of its profile, identifies with a cultural typology, shaped by the behavioral tendencies manifested by its employees and managers.

It is worth mentioning that the culture of a specific company may directly influence the management approaches, thus the innovative management can be reflected differently, depending on the cultural context.

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