ORGANIZATIONAL CULTURE AND HOW THIS AFFECTS THE PERFORMANCE OF A CORPORATION

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Abstract: *Organizational culture is the whole forms learned behaviors in an organization, and this requires internal coherence and a series of relationships between its branches, so there is the possibility of similarity between cultures but these organizations are unmistakable. This is exactly the essence of an organization, playing an important role throughout an organization. Organizational culture is made up of human history and important data values declared, occupations memberships, beliefs and symbols that refer to outside the space or behaviors. Organizational culture reinforces their learning manner, and this manner is influenced by the environment in which it develops, but also the history which it accumulated during its relations with the environment. Organizations working environment has an impact on their organizational cultures and businesses placed in similar contexts so resembles pretty much.*

The role of communication in an organization capital, without a perfect communication between the members of the management team and the rest of the employees, taking decisions by managers and therefore their adoption would be unthinkable. Above all, management means interpersonal influence exercised in a certain situation to fulfill defined goals, and this cannot be achieved without the help of communication.

Good communication strengthens a system of mutual cooperation that helps to achieve the proposed goals and sustainable development of the organization, creating an environment which generates efficiency and satisfaction. Communication within the organization has the mission to position the organization as high as possible; giving it recognized personality and distinct identity in front of the competition.

The individuals that make up an organization come with their own behavior within it. Although their behavior in the organization is limited depending on the policies and structures of the organization, the print of the behaviors represents the individual outside the organization, according to his way of making choices, taking decisions and of thinking rationally (Hofstede G., Bollinger D., Les différences culturelles dans le management, Les éditions d'organisation. 1986, pp. 155-159).

"The influence of national culture on the organization takes place in indirect ways: institutions that form part of the organization's external environment helps shape the adopted (State Olimpia, Organization and management culture, Editura ASE, 2004, p.2) social and structural solutions".

Organizational culture is made up of human history and important data, declared values, afferent occupations, beliefs and symbols that refer to the exterior, the space or behaviors.

Organizational culture is transmissible and open to adaptations, exceeding the level of the individual being only partially conscious, and its characteristics can be summarized as follows (Handz, C., Good of management, London, Centurz Business,pp. 71-85):

• cultural beliefs of an organization are transmitted from one generation to another, all the opinions and values resulting from a continual and lasting process implemented by people and accepted as code of conduct.

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• Unlike biological characteristics that are inherited, culture requires a long learning process, its transmission being easily accomplished.

• Culture is not just about internal factors but also external factors, being a social variable.

Factors influencing the culture are divided into two categories: internal factors and external factors.

Internal factors:

a) The history and traditions of the organization.

The history of an organization confers prestige, stability, organizational inertia but also continuity, and as the organization's history is longer and more complex, the influence that it has on culture is increasingly higher.

b) Management system

This system through its decisional, informational, organizational and methodological managerial features influences the configuration of the organizational culture. A good and well-structured management system represents a solid basis for the formation of a strong organizational culture.

c) The employees of the organization

Preparing the employees, the number, the values held by them, their age and temperament mark in a variety of ways the formation of the culture of an organization.

d) Technique and technology

Computerization of an organization strongly influences the achievement of employees' work, this being reflected in symbols, ceremonies, aspirations and values system.

External factors:

a) Customers

Due to the level of demands, the potential and different prospects of development of customers the organizational culture suffers changes.

b) Juridical legal environment

Organizational culture is influenced by the manner in which are interpreted and respected the laws. Progress can be seen when the juridical legal environment favors the performances of the enterprise.

c) Economic Environment

Although the economic environment works closely with legal and juridical environment, it is represented by the functionality and performance of the national economy.

d) National and local culture

In the national culture and in the local one, functions the organizational culture that is influenced by ways of thinking, religions, different concepts as well as through education.

There are many opinions regarding the classification of components of organizational culture, but the common point of these opinions is that organizations that have the same branch of activity and similar components still come to be very different.

Organizational culture was presented most often as having the following components (Thévenet, M., *La culture d'entreprise, Que sais-je?*, Paris, Presses Universitaires de France, 1993, p. 54-56): founders represented by social origin, personal data, fundamental principles, then follows the history of people, structures, important data, backgrounds; occupations (professions): apparently related to reality, their manner of execution. Another component is represented by values that are apparent, declared, operational, behaviors of individuals, space, time use, rituals, language, attitudes and not least the signs, symbols and beliefs, assumptions towards the outside, etc.

The first would be the founders and circumstances in which the company was founded. This first component refers to the principles that were established when the company was founded and often these specific features will influence and will be found in the culture of an organization as long as it will exist. On the other hand, this does not mean that automatically any idea that the founder has will be applied without any doubt, but that the "impact of the founder, his print will be found just like parents put their mark on the behavior of their children." Often, there are several founders of the same organization and are those who have traced the major lines of development, who had an equally high role as the founder or there really were more people who founded an organization (Buzărnescu, □tefan, Introduction to organizational sociology and management, Press Didactic and Pedagogical, Bucharest, 1995, p 20-40).

When we think of founders we actually think about what they are as people, their personal characteristics, origins, education, training, facts, experiences, gestures. Also the founders are represented by their environment, their economic situation, the group, the technology, the originality of creation in relation to the environment, market, products, existing services and activities, as well as other internal means of operation. Also founders are represented by their principles in relation to the production and management of goods or services, internal functioning, their relationships with customers, shareholders, suppliers and the community as a whole.

Schein E. gives as example M. Jones as a classic founder. The son of immigrants who owned a grocery store, Jones was greatly influenced by his mother that has guided and taught him how to start up a commercial business, but also that only active and involved people are successful. Jones founded a chain of stores that had only high quality products for the purposes of consumer tastes; in this notion of quality were also included the relations with the senior management in his stores. The business was of the family, meaning that in the key positions were employed family members, and Jones had a centralized power. After the death of Jones, the company went through a difficult period of crisis and hardly found a manager able to integrate the enterprise culture in specifics of the respective time.

From the example results the difficulty in studying the culture regarding the founder because certain problems arise such as lack of information, the existence of mergers with other organizations that have different cultures, the fact that the enterprise itself may be a subsidiary, absorption, expanding the organization, creation without founders.

Regarding an organization there is a number of important events with a particular value that awakens interest, or current events, regularities and influences that have occurred in the external environment of the company and have influenced certain decisions at some point, politics or efficiency of a measure taken in the organization. This is the history of interest, which explains how collectivity works beyond desire and individual decision. Nowadays there are many companies that employ professional historians to study the history of the company, being helpful in analyzing their culture.

History of an enterprise cannot be taken from its external environment. It may be economic or social, and may be established by various investigations, researches, and sometimes the lack of accurate data it is based on the logic of evolution.

When analyzing the history of an organization there are usually used the departments that keep this data, departments of finance, marketing, production, human resources, knowledge of economic management to understand a certain choice that was made to knowledge of labor law to understand certain restructuring decisions, marketing knowledge to assess the importance of launching or abandoning a product. Another source would be some people who left the company for various reasons or are retired, people who have followed their career outside as well as witnesses from the external environment,

members of professional trade unions, and specialists in the same sector, competitors, which may give a relative vision on what the enterprise has been. Internal and external sources complement each other, very important being also the competence and judgment of history or those who study the history of an organization (Samovar L. A., Porter R. E. & Stefani L. A., *Communication Between Cultures*, Third Edition, Belmont et al.: Wadsworth Publishing Company, 1998, pp. 15-48).

Object of activity of the company is often at the crossroads between culture and strategy, as the company output can be in continuous evolution, it could sometimes change radically. Knowing the key success factors, critical steps, competitive advantages, weaknesses and strengths can determine a future strategy that can mean a possible change (diversification of production, for example). Occupation often associated with competence and "savoir-faire" does not come down to knowledge, but also refers to the ability to solve problems, to address situations, treating reality (Mihai R L, *The motivation, an important step on corporate communication*, 2nd International Symposium „Economics, Communication, Globalization in Knowledge-Based Society”, Press ASE, Bucharest, 2008, ISBN 978-606-505-045-7).

Values are very important in society, so they cannot be ignored in the organizational environment. They allow everyone to evaluate what is good and what is bad, to analyze things and later to act. The values resulting from individual experiences within the groups, to which he belonged at one time, are not a reproduction of the collective values of these groups, but rather what the individual himself thought, analyzed and finally acted. We could say, therefore, that values have two parts, one individual and one collective. While it may seem a negligible element, we cannot imagine an action, a decision or a behavior that does not refer to a code of values that expresses the idea of good and bad of the one who leads or runs.

Another component consists of signs, symbols, beliefs and assumptions. Most often, culture is confused with signs and symbols present in an organization. The literature includes here: rituals, language, means of arrangement, logos and other signs of representation, different heroes, and sometimes little known stories told and codes of conduct etc. Those who have analyzed and then split culture into different components said everything that is studied as a sign or symbol is considered a carrier of meaning (Petelean A**,** Human resources management, curs IFRD, ediţia a II-a, University „Petru Maior”, Tg.-Mureş, 2003).

After contributing to the company's performance:

a) **Positive cultures** or strong, they are characterized by the density of values and visions that provide a positive motivation (Zorlenţan T., Burduş E., Căprărescu Gh., Organization management, Bucharest, Press Holding Reporter, 1996, pp. 189-220). In theory this type of culture ensures high performance, but in practice this type of culture is one more rigid if it breaks from the reality of the environment.

b) **Negative cultures** that are typically found in large corporations and are characterized by concepts promoting excessive centralization, arrogance and bureaucracy. The area towards which they are oriented is the corporate interests, minimizing the interests of the staff, customers and shareholders.

Organizational culture strengthens their way of learning, and this manner is influenced by the environment in which it develops, but also by the history accumulated during its relations with the environment. The environment in which organizations are working has an impact on their organizational cultures and businesses placed in similar contexts resemble pretty much.

Conclusions

Organizational culture is one of the major problems of a company. It is researched by academics who concluded that the cultural dimension is a central pillar in all aspects of organizational life, even in those organizations where cultural aspects receive little

attention. How people think, how they feel, what their values are, all these are guided by ideas and beliefs of their cultural nature.

Senior employees of the company are often in one way or another, "teachers" of the organizational culture. They point out what is most important and what is less important within the corporation, how should this be understood. Organizations practice various and multiple types of management that can grow and reproduce their values, communication and organizational culture receiving special attention. However, even in cases where top managers have special knowledge regarding the significance of culture, there is often a lack of deeper understanding of how people and organizations operate culturally. As it is complex and difficult to understand the significance of culture, the more difficult it is to apply accurately its rules. Awareness and interest for culture ranges between managers and companies.

It is often difficult to achieve a high level of awareness of culture and they try to underline the importance of corporate cultures to achieve performance and to achieve growth and success. In the early 1980s there were numerous books identifying characteristics of successful companies in the USA (Peters and Waterman, 1982). These books, in combination with journalistic publications have created a widespread belief in organizational cultures, being perhaps the most important factor behind the companies' success and performance.

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