

The Influence of Management Styles on Organizational Culture: A Comparative Approach of Different Romanian Managerial Cultures

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Abstract: *A significant effect of the emergent changes that take place on the international labour market, is represented by the designing of new forms of efficiency for all forms of economic and social organization.*

In this respect, both organizational and institutional worlds are in a process of remodeling their policies, practices and strategies, in order to meet the new requirements imposed by a dynamic and demanding world of work.

This paper aims to identify: (a) management styles developed in different managerial cultures and (b) organizational values promoted by the managers interviewed in the pre-test stage of this research.

Research objectives of the study are:

- *to highlight the impact of specific managerial styles on organizational culture;*
- *to achieve a comparative analysis between management models adopted in multinational corporations, public institutions and private for-profit organizations.*

Keywords: *management styles, organizational culture, cultural norms, organizational values, different managerial cultures.*

1. Introduction

Considering that, “nationality affects one’s cognitive maps, values, demeanor, and language...leadership development and selection by determining basic assumptions about what leaders look like, how they behave, what their style is, how they work, whether they are men or women, whether they are black or white, and so on” (Deer et. al, 2002), in this paper, I

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want to present a comparative study on different managerial styles, in order to highlight their impact on organizational culture.

Empirical component of this study is based on achieving in-depth interviews with managers coming from multinational companies, public institutions and private for-profit organizations.

2. Metodological component of the study

Research theme: To identify management styles developed in different managerial cultures (multinational companies, public institutions, private for-profit organizations).

Research questions

- ❖ Is there a difference between the cultural background of each manager and the way in which he/she defines and shapes his/her's managerial style?
- ❖ What is the impact of specific management styles on organizational culture?

Research objectives of the study:

- to highlight the impact of specific managerial styles on organizational culture;
- to achieve a comparative analysis between management models adopted in multinational corporations, public institutions and private for-profit organizations.

3. Theoretical Model of the Study

In Edgar Schein's view (Schein, 2004), there is a interdependence relation between the concepts of organizational culture and leadership, and any explanatory approach will treat this two concepts as "two sides of the same coin" (p. 10). Therefore, the cultural norms help to define the way in which an organization draws its leadership style. (First theoretical assertion).

3.A) ORGANIZATIONAL CULTURE – ONE SIDE OF SCHEIN’S COIN

An important objective of Schein’s argumentative approach is the differentiation between different cultures, depending on the levels where it occurs. Thus, the author (Schein, 2004) defines the cultural level as: “the degree to which the cultural phenomenon is visible to the observer”(p. 25). Thus, Schein defines the following cultural levels (Schein, 2004):

Level 1-artifacts: “visible organizational structures and processes (hard to decipher)” (p. 26). (Second theoretical assertion). This level is harder to assess since it can be partially inferred from the analysis of cultural artifacts.

Level 2-espoused beliefs and values: “strategies, goals, philosophies (espoused justifications)” (pp. 25-27). (Third theoretical assertion). This level is harder to assess since it can be partially inferred from the analysis of cultural artifacts.

Level 3-basic underlying assumptions: “unconscious, taken for granted beliefs, perceptions, thoughts and feelings (ultimate source of values and action)” (pp. 30-31). (Fourth theoretical assertion). This cultural level is the most profound level, it confers to the individual a cultural cognitive map, an assembly of cognitions and undoubted, unquestionable values, on which the infrastructure of the human cognitive system is built on.

3.B) LEADERSHIP – THE OTHER SIDE OF SCHEIN’S COIN

The defining characteristic of leadership (Schein, 2004) is represented by “the ability to influence a group toward the achievement of goals. The source of this influence may be formal, such as provided by the possession of managerial rank in a organization. Since management positions come with some degree of formality of designated authority, a person may assume a leadership role simply because of the position he or she holds in the organization” (p. 413). (Fifth theoretical assertion).

According to Schein (Schein, 2004), the key tasks that a leader has are those that imply “to create and manage

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culture; that their unique talent is their ability to understand and work with culture; and that it is an ultimate act of leadership to destroy culture when it is viewed as dysfunctional” (p. 11). (Sixth theoretical assertion).

In Schein’s view, main observable categories of the culture, designed to highlight elements of cognitive, affective and normative organizational culture are the following (Schein Apud Vlăsceanu, 2003): “behavioral regularities in human interactions; group norms, default standards and values that enabled the working groups; displayed values; formal philosophy; formal and informal institutional rules; socio-moral climate of the organization and architectural space; personal skills; ways of thinking, mental models and paradigms of language; meanings activated insights of everyday events or work tasks; metaphors and symbols, set the ideas, emotions, feelings and images about themselves and the organizational phenomena that are manifested in everyday life”(p. 266).

4. Establishing research hypothesis

First research hypothesis: If the management style of each manager is influenced by his/her cultural background, then the impact of his/her own culture on organizational culture will be stronger.

Second research hypothesis: If within the organization exist a set of common values shared by all members of the organization, then the members stability in that organization will increase.

Third research hypothesis: If the managerial styles are different, then their impact on organizational culture will be different.

5. Data analysis

5.A) First section of analysis - CHARACTERISTICS OF HUMAN RESOURCE MANAGER POSITION

5. A). a – Case 1

The Manager of the Multinational company: *First, I find it at a very complex job, which is not very well developed in the labour market in Romania. I think that we are still dealing with people's perception that in the Human Resources Department are women who give salaries. For me? What represents the position of manager of human resources ... First of all, I think that it represents people's **motivation**, and **their professional development**. This are the two main characteristics developed here, in our company. Certainly, that one of the most important tasks of the position of human resource manager is **the process of recruitment and selection of company's staff**, after that **establishing the payment policies** and last, but not least **training tasks**. Personally, I am interested in **drawing compensations and benefits**, coupled with **talent development**.*

Human Resources Manager from the multinational company, described her function as 'a very complex job', and she associated the following key tasks with her work: 'people's (employee) motivation, the process of recruitment and selection of company's staff, establishing the payment policies, training tasks, drawing compensations and benefits, talent development'

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5. A). b – Case 2

The Manager of the Public Institution: *In other institutions, less specific than ours, we doesn't exists as explicit tasks as we have, there is a difference, because the position of human resource manager is not very much concerned of the **administrative** part of this activity. He/she is focused more on **developing personnel policies, career management and developing plans, benefits, compensation**. In a public institution, as we are, and with specific field of activity, both manager and human resources inspector must cover the whole area, all that means the **administrative...administrative activities, wages payment, creating personnel policies...through all stages and responsibility starts from the first document was from enrolling in a work book, approval of a training program** and so on.*

In what concerns the position of the Human Resource Manager from the public institution, the key tasks associated with his position are: *'administrative activities, creating and developing personnel policies, career management, developing plans, benefits and compensation policies, wages payment, enrolling in a work book, approval of a training program'*.

5. A). c – Case 3

The Manager of the Private for-profit organization: *Since in our company, human resources manager position is practically integrated into the management and administration, **I can't say that we have some duties and responsibilities very clearly drawn**. In times of economic crisis, I basically take care of this area and are all kind of activities...from **employees selection, job descriptions, personnel policies** and ending with **administrative issues**.*

Human Resource Manager from the private for-profit organization, associated the following key tasks with her position: *'employees selection, job description, personnel policies, administrative issues'*.

5.B) Second section of analysis – ORGANIZATIONAL CULTURE

In this section of analysis, managers had the possibility to rank from a set of general attributes, the most important organizational values promoted in their own organizations/institutions. Thus, the general attributes presented were: *competition between employees, punctuality,*

transparency, responsibility, teamwork, creativity, autonomy. Besides these attributes, managers had the opportunity to appoint a specific attribute for their organizational culture.

In the following, will be presented the main organizational values selected by managers and also the manner in which these values have been operationalized.

5. B). a – Case 1

The Manager of the Multinational Company: *People must be responsible. As long as you do something you take the responsibility for doing it. Formulations such as: ah I made a mistake or I thought I heard that...I can't insult a colleague or to say bad things about him or I say something without proof. The second important thing is that **reports**, and everything is presented as a document (to company's staff, or to our customers, partners, suppliers) **must be based on true information**. When you put your signature on a document, you assume that those numbers are real, they are in accordance with what is happening in our company. **Teamwork**...if a colleague need your help, to be available in providing the help he needs, I dont know...if he doesn't find information such as economic reports, certain numbers...At the same time, we also encourage, **empowerment**...we offer to our employees **individual autonomy** in meeting the work tasks, in order to work alone, and had no need to be told each time what to do. As an employee, you must be responsible, **you must know very well your work tasks, the products that you sell.***

Main distinctive characteristics of organizational culture, highlighted by the Human Resource Manager from the multinational company are as follows:

OV1. employee responsibility - is perceived as: (1) '*people must be responsible...and must know very well the work tasks, the products that you sell*' and also in terms of (2) '*work reports...must be based on true information*';

OV2. teamwork - '*if a colleague need your help, to be available in providing the help he needs*';

OV3. individual autonomy - '*in meeting the work tasks, in order to work alone, and had no need to be told each time what to do*'.

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5. B). b – Case 2

The Manager of the Public institution: Responsibility, because only by taking responsibilities you can achieve something good, good results. You can't get a good result if you work alone, **you need a team**. You also need to be **competitive**, you must prove that you can do that. When I mentioned the word competition, I didn't intend to say internal competition, I referred to the competition on the labour market. I would add **the punctuality**...and also the **creativity**. I think that the most important thing is **communication**, because practically the whole activity depends upon communication.

Main distinctive characteristics of organizational culture, highlighted by the Human Resource Manager from the public institution are as follows:

OV1. employee responsibility - 'only by taking responsibilities you can achieve something good, good results';

OV2. teamwork - 'you can't get a good result if you work alone, you need a team';

OV3. employee competitiveness - 'you need to be competitive, you must prove that you can do that...not internal competition...the competition on the labour market';

OV4. communication - 'the most important thing is communication, because practically the whole activity depends upon communication'.

OV5. creativity and punctuality.

5. B). c – Case 3

The Manager of the Private for-profit organization: *First responsibility, in order to carry out assigned duties as better as possible. In our firm, **creativity**, new installations, as new products, new solutions ... especially now with this crisis, without **creativity** you (as a small firm) you can't be able to succeed on the market. Personally, I think that teamwork is very important for any company, regardless of the activity, in order to face the market competitiveness. And I will choose also **the quality of customer services**, and **prompt intervention services**.*

Main distinctive characteristics of organizational culture, highlighted by the Human Resource Manager from the private for-profit institutions are as follows:

OV1. employee responsibility - 'in order to carry out assigned duties as better as possible';

OV2. creativity - "without creativity (as a small firm) you can't be able to succeed on the market";

OV3. Teamwork - 'teamwork is very important for any company, regardless of the activity...you can't be able to face market competitiveness without teamwork';

OV4. the quality of customer services and **prompt intervention services**.

6. Testing Research Hypothesis

The first research hypothesis: "If the management style of each manager is influenced by his cultural background, then the impact of his own culture on organizational culture will be stronger" was confirmed in pre-test stage of the study. As we have seen, each managerial style is characterized by vision of human resource management that has a strong influence on organizational culture. Therefore, the influence of manager's cultural background on the organizational culture will be stronger.

The second research hypothesis: "If within the organization exist a set of common values shared by all members of the organization, then members stability in that

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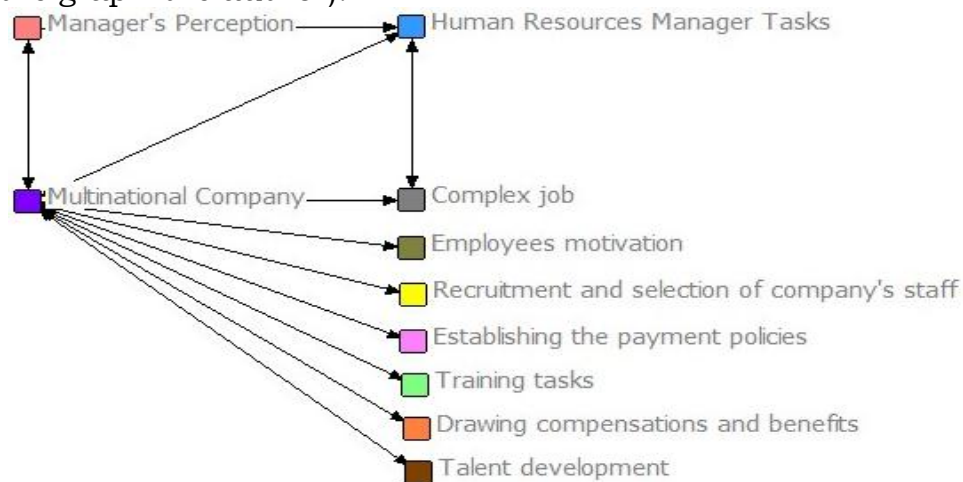
organization will increase” was infirmed in pre-test stage of the study.

The third research hypothesis: “If the managerial styles are different, then their impact on organizational culture will be different” was confirmed in pre-test phase of the study. In empirical investigated cases, we observed that different managerial styles shape different human resource management policies and practices, therefore the impact of these procedures on organizational culture will be different.

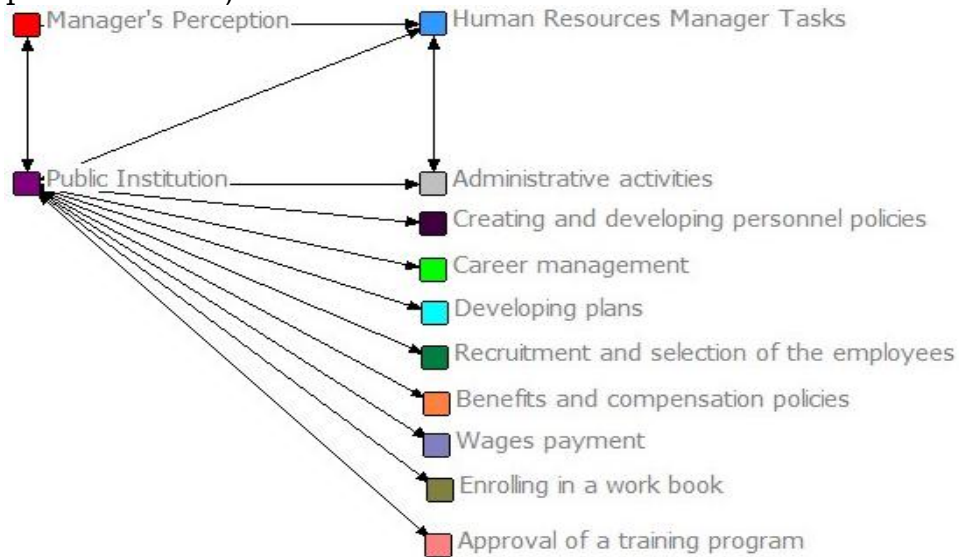
7. Conclusions From The Pre-Test Stage of the Research

C1. Regarding the characteristics of Human Resource Manager Position, managers have associated this position with the following key tasks:

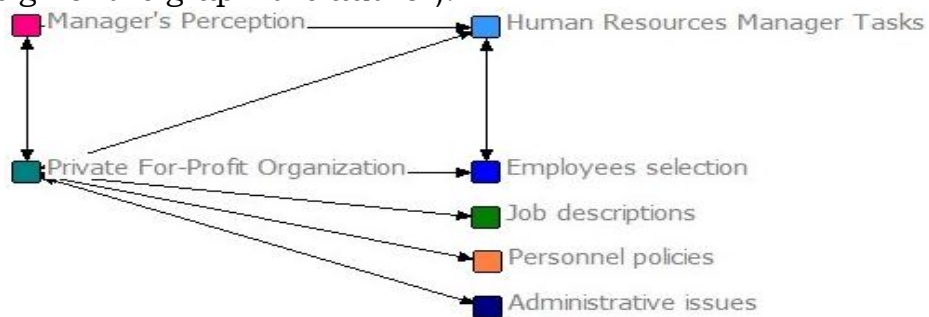
C1-Case 1: Multinational Company (Conceptual design of the graph-the author):



C1-Case 2: Public Institution (Conceptual design of the graph-the author):



C1-Case 3: Private For-Profit Organization (Conceptual design of the graph-the author):

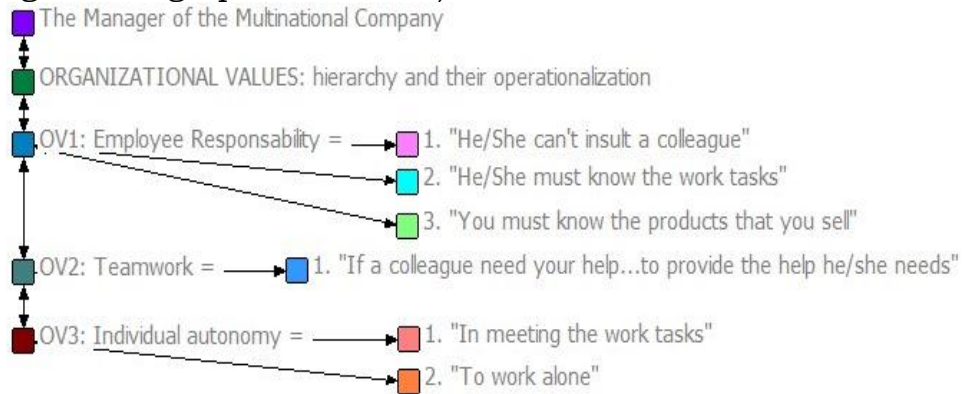


C2. In terms of principles, values, norms underlying organizational culture, we observe that the norms and organizational values were shaped according to specific management approaches. Therefore, the main organizational values selected by managers and also the manner in which these values have been operationalized are as follows:

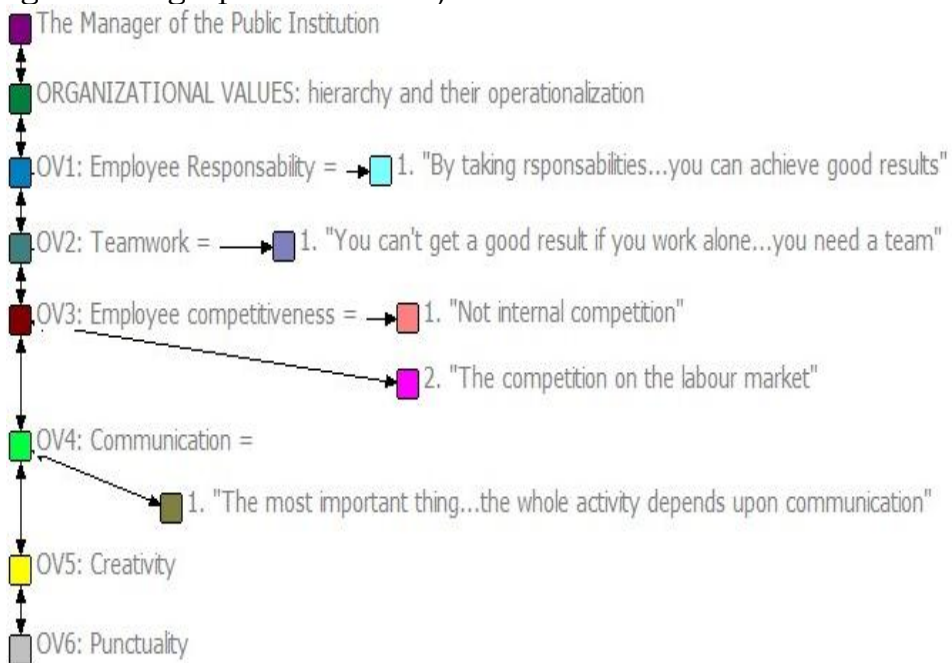
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C2-Case 1: The conceptual graph of organizational culture shaped in the Multinational Company (Conceptual design of the graph-the author):



C2-Case 2: The conceptual graph of organizational culture shaped in the Public Institution (Conceptual design of the graph-the author):



Case 2 - The conceptual graph of organizational culture shaped in the Private For-Profit Organization
(Conceptual design of the graph-the author):



C3. In what concerns proposed research hypothesis, we observed that:

- First hypothesis was confirmed in pre-test phase of the study. As we have seen, each managerial style is characterized by a distinctive vision of human resource management that has a strong influence on organizational culture. Therefore, the influence of manager's cultural background on the organizational culture will be stronger;
- Second hypothesis was infirmed;
- Third hypothesis was confirmed in pre-test phase of the study. In empirical investigated cases, we observed that different managerial styles shape different human resource management approaches, therefore the impact of these procedures on organizational culture will be different.

C4. Human Resource Managers define and relate their position with different characteristics of the work of a human resource manager. A first explanation that can be drawn is that the priorities and organizational structures in which they work (a multinational company / a public institution / a private for-profit organization) are strongly influenced by organizational characteristics, such as: their mission, their

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organizational culture, the sector where they operates, and also depend on the background of each manager.

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