

Peter Gallo¹, Jaroslav Gonos²CORPORATE CULTURE TYPOLOGY MODEL WITH REGARD
TO ORGANIZATIONAL STRUCTURE

The article considers the corporate culture typology with regard to organizational structure presented herein by means of a theoretical framework and supplemented with a model version of the given topic. The objective is to obtain information based on the performed survey among undertakings inquiring about the type of corporate culture applied in their companies. The survey was carried out at engendering enterprises in Eastern Slovakia.

Keywords: corporate culture; typology; organizational structure; Eastern Slovakia.

Петер Галло, Ярослав Гонос

МОДЕЛЮВАННЯ ТИПОЛОГІЇ КОРПОРАТИВНОЇ КУЛЬТУРИ
З УРАХУВАННЯМ ОРГАНІЗАЦІЙНОЇ СТРУКТУРИ

У статті розглянуто типологію корпоративних культур з урахуванням організаційної культури. На даній теоретичній базі побудовано авторську модель та проведено практичне дослідження корпоративних культур організацій з метою їх подальшої типологізації. Опитування щодо корпоративних культур було проведене на машинобудівних підприємствах Східної Словаччини.

Ключові слова: корпоративна культура; типологія; організаційна структура; Східна Словачія.

Рис. 3. Табл. 3. Літ. 10.

Петер Галло, Ярослав Гонос

МОДЕЛИРОВАНИЕ ТИПОЛОГИИ КОРПОРАТИВНОЙ
КУЛЬТУРЫ С УЧЁТОМ ОРГАНИЗАЦИОННОЙ СТРУКТУРЫ

В статье рассмотрена типология корпоративных культур с учётом организационной структуры. На данной теоретической базе построена авторская модель и проведено практическое исследование корпоративных культур организаций для их дальнейшей типологизации. Опрос по корпоративным культурам был проведён на машиностроительных предприятиях Восточной Словакии.

Ключевые слова: корпоративная культура; типология; организационная структура; Восточная Словакия.

Introduction. Currently operating markets are characterised by unstable and constantly changing business environment. Managers of individual undertakings are particularly those who have to face high demands to be able to manage an undertaking successfully and achieve the benefit for owners but also for other groups of stakeholders. Relationships with stakeholders are different and companies can consolidate and develop these relationships in various forms. Conflicts may arise in the form of struggle within stakeholder groups, for example, would be taken at any time – and any – the decision somehow always (adversely) affects one or more stakeholders (Ubreziová, Stanković, Mihalčová and Ubreziová, 2013). The top management's role is to choose an appropriate method of presenting a company to external environment and determining the corporate culture. Determination and efficient management of corporate culture is preconditioned by the prior exploration thereof, identification of its content, weaknesses and strengths. To facilitate an understanding of corporate cul-

¹ Technical University in Kosice, Slovakia.

² University of Presov, Slovakia.

ture, typologies are applied, representing a simplified version of reality. Experts have defined a number of various typologies that present the corporate culture from different perspectives. The fundamental corporate culture typologies include the typology formulated with regard to organizational structure as presented by R. Harrison and Ch. Handy (1993).

Corporate culture and its typology. Labour force management has a significant impact on business performance. This factor is connected with the importance of applying staff development, distribution of competencies, and especially thorough knowledge of corporate culture. It is necessary to focus on the exact communication within a company. The implementation of this policy will mean that a satisfied employee, just like a high-quality product, is a company's best quality mark (Hakelova, Csikosova and Antosova, 2013).

Corporate culture in successful companies is characterised primarily by:

- relation to customers, based on the business objective to serve them, particularly by delivering high quality and reliability (Dorcak, 2013);
- supporting innovations and creating innovative atmosphere which is achieved through supporting creative activities, experiments, actions, but also by promoting new ideas, supporting internal business etc.;
- wide support for people, as they are one of the key preconditions of company's future success (Gallo, 1996).

Corporate culture typology is described by the opposite types, or various negative phenomena prevailing in a company. In fact, there is no determined corporate culture that could be classified as an exact single type. It can be stated that each typology brings certain view on the examined phenomenon and by examining each one of them it is possible to obtain an overview. It is necessary to add that each company requires different type of culture, the one that is most efficient for a company (Bedrnova and Novy, 1998). Typologies are usually based on important content-based aspects of corporate culture, such as the method of hiring new personnel, criteria and method of decision making, distribution of competencies and responsibilities, criteria and time cycles of staff evaluation and the dynamics of their career, management style, and the prevailing method of surveillance and interpersonal relations (Bedrnova and Novy, 1998).

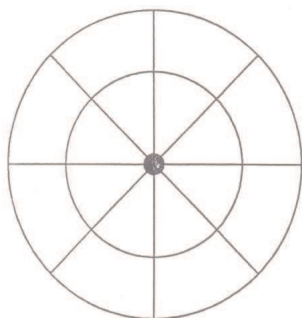
According to (Lukasova and Novy, 2004), typologies can be divided into 3 basic groups. Typologies are formulated with regard to:

- the organizational structure;
- the impact of the environment and a company's response to the environment;
- the trends in the company's behaviour.

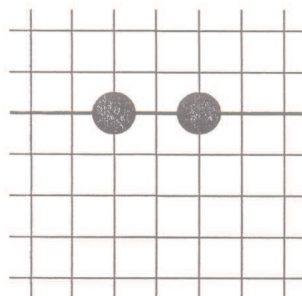
Corporate culture typology with regard to organizational structure. The first authors to publish the corporate culture typology were R. Harrison and Ch. Handy (1993). This typology was processed by the abovementioned authors in the 1970s. The typology fundamentals consist in defining 4 basic corporate culture types, subsequently specified with regard to organizational structure.

Power culture. This corporate culture is based on the dominant position of an individual in the centre. This corporate culture possesses small number of rules and little bureaucracy. The company is dependent on mutual trust and communication. A typical feature is that decisions are made by a person in the centre. Power culture is

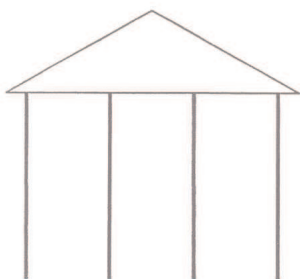
strong and flexible and can respond to threats coming from the external environment. It is suitable for people who need certainty and brings satisfaction to people focused on power. It is typical for small or family companies.



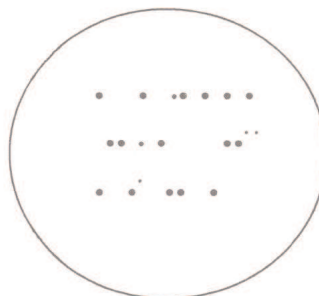
Power culture



Task culture



Role culture



Person culture

Figure 1. Organizational structure schemes and corporate culture types according to Ch. Handy (1993)

Role culture. This corporate culture is based on explicitly determined rules and procedures. Every employee is assigned a role to comply with when performing their job tasks. A typical feature of this corporate culture is its hierarchic structure with top management on the top, coordinating lower structure levels, whereas the strength of the entire company stands on individual functional departments such as production, finance, marketing etc. (Dorcak, 2012). Role culture is suitable in a stable environment where company is able to foresee the situations that might occur at the market. This knowledge represents the basis also for the negative feature of this culture, particularly that the company is slow in recognising changes and is not able to respond to these changes in a flexible way. It is typical for public administration and large organizations.

Task culture. The main objective of this corporate culture is the focus on performing tasks. Top management chooses suitable persons to perform the assigned tasks and forms teams so that these tasks are performed successfully. The advantage of this corporate culture is that a company is able to accommodate quickly to changes at the market and respond to them in a flexible manner. It is focused on the results

and on achieving individual or group objectives. It is suitable for unstable and fast changing environment where flexibility is a must (Lisuch, Lavrin and Husarova, 2011).

Person culture. A typical feature of this culture is an individual who is the central figure in a company. In this corporate culture no individual has a dominant position and relations among people are based on partnership and independence. The main feature is individual proficiency. Person culture is rather rarely used; however, there are individuals or groups that prefer particularly this type of corporate culture. They include mostly lawyers, architects, physicians, and also university teachers (Antosova, 2011).

Application of corporate culture typology model with regard to organizational structure. The central idea of this article is to present a practical model that can be used in any kind of company or organisation. This model is based on the corporate culture typology published by R. Harrison and Ch. Handy (1993).

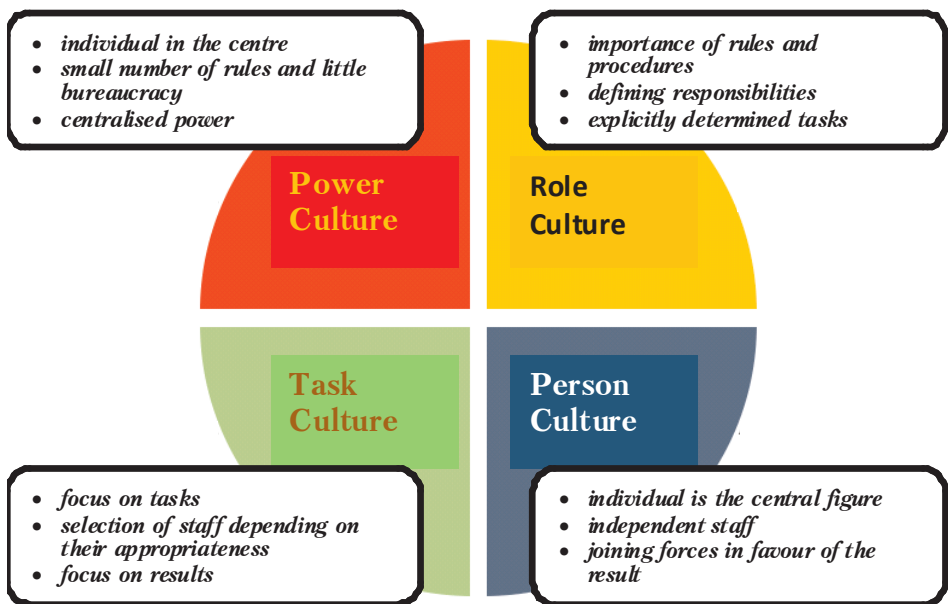


Figure 2. Corporate culture typology according to R. Harrison and Ch. Handy (1993)

This corporate culture typology was subsequently elaborated as a summary model containing 16 characteristics corresponding to individual corporate culture types. Individual characteristics were defined depending on whether the monitored entity agrees with a particular statement or not, or has a neutral opinion. Scoring of individual characteristics enables accurate identification which corporate cultures are prevailing in the monitored companies. We will try to use the performed survey to confirm the fundamental hypothesis presented by the article, particularly that the majority of the monitored undertakings are focused, in terms of corporate culture, on the role culture. In order to use the abovementioned model in practice, we addressed 9 industrial undertakings operating in the field of engineering in Eastern Slovakia. The model was assessed applying several research methods. The first section is

focused on the analysis of the current situation by means of a theoretical framework mentioned in the expert literature. In the experimental section we used a questionnaire as the survey instrument. The resulting evaluation is shown in Table 3, which was subsequently transferred into a graphic scheme. This representation clearly shows which corporate culture typologies prevail in the monitored undertakings.

Table 1. Corporate culture typology model with regard to organizational structure, authors'

1. The main position in the company is held by an individual in the centre, making decisions about everything.
2. There is a small number of rules and little bureaucracy.
3. The company's operations are based on mutual trust and communication.
4. Organizational structure reminds of a spider net and is centralised.
5. Company's operation is based on rules, procedures, and standards.
6. Employees perform activities defined by their job descriptions and responsibility specifications.
7. Employees are hired depending on how they are able to fulfil individual tasks.
8. Performance beyond the job description is not required.
9. Employees in the company are focused on tasks performance.
10. Employees are hired depending on specific tasks so that they are appropriate for the performance of a given work.
11. The company is focused on the results, adaptability, and interconnection of individual and group objectives.
12. The company takes stock in well functioning relations connected with mutual respect.
13. An individual is the central figure in the company.
14. In the company, no individual has a dominant position; relations between members are based on partnership.
15. Employees are independent and dependent on their proficiency.
16. Employees join their forces to achieve good results.

Table 2. Statistical representation of the corporate culture typology model with regard to organizational structure, authors'

Questionnaire no.	Company evaluated									Total
	#1	#2	#3	#4	#5	#6	#7	#8	#9	
1	4	3	2	3	2	4	3	3	3	27
2	2	3	1	2	2	1	2	3	2	18
3	3	4	3	3	2	3	4	3	3	28
4	2	2	3	3	2	3	2	3	3	23
5	5	4	5	4	5	4	5	4	5	41
6	4	3	4	5	5	4	3	3	4	35
7	5	5	5	5	4	5	5	4	4	42
8	4	4	3	4	3	4	4	5	5	36
9	4	3	4	3	3	4	4	4	3	32
10	3	4	4	4	4	3	4	4	4	34
11	3	4	4	4	4	3	4	4	4	34
12	2	3	2	3	3	2	2	3	2	22
13	3	3	3	4	3	3	3	3	3	28
14	3	3	3	3	4	4	3	4	3	30
15	4	4	4	4	3	4	2	2	3	30
16	4	4	4	4	4	4	4	4	4	36

Performed survey processing. Collection of primary information on the issue in question was carried out using quantitative and qualitative methods. Within quantitative methods, written inquiries were used, supplemented with inquiring via the

Internet. In qualitative methods, brainstorming was used to create opportunities for presenting new ideas and later for the selection within constructiveness, in order to solve the given problem. The article used basic scientific methods, such as observation method, comparison method, generalisation, analysis, and synthesis. These methods of the cognitive cycle were used concurrently in several steps. The observation method consisted in the systematic and efficient perception of the object and the phenomenon of the solved issue. Such as perception of external features of the solved problem, comparison of particular processes, as well as gathering factual data on the qualitative and quantitative aspects of the examined problem. This method was supported by the thorough preparation that ensured fulfilment of the criteria of completeness and depth, which was subsequently reflected in the process of solving the given problem. The obtained empirical material is logically processed, using the logical scientific methods, such as analysis and synthesis, comparison, generalisation, abstraction. At all the stages, the article uses scientific methods, such as analysis and synthesis. Supporting or additional methods supplementing the aforesaid methods included scientific methods of induction and deduction. One of the quantitative methods of outputs processing was the use of Microsoft Excel pivot tables which served well for the purpose of evaluation of necessary information and outputs.

Table 3. Evaluation of the corporate culture typology model with regard to organizational structure, authors'

Corporate culture typology	The score
Power culture	96
Role culture	154
Task culture	122
Person culture	124

Corporate culture typology model preparation and graphical processing. The importance rate is shown in the scale of 1 to 5, where "1" means "I completely disagree" and "5" means "I completely agree".

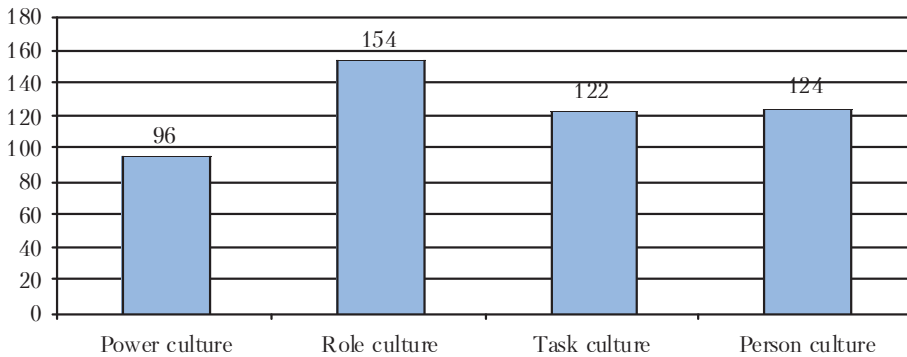


Figure 3. Graphical representation of the results, authors'

Conclusion. The key objective of the article was to identify the type of corporate culture that prevails among industrial companies in Eastern Slovakia. To accomplish the aforesaid, we have established a hypothesis that corporate culture prevailing among the monitored companies is the role culture and our efforts were aimed at the

verification of this hypothesis by the survey which was carried out applying the questionnaire method with the construction of a model, including descriptions of the given corporate culture types. To confirm the established hypothesis, we addressed 9 industrial companies operating in Eastern Slovakia operating in the field of mechanical engineering. Application of the submitted model within our survey confirmed the established hypothesis claiming that the corporate culture type prevailing among the monitored companies is the role culture. Accordingly, the survey indicates that operations of the monitored companies are based on definite rules, standards, and procedures. These companies operate according to specifically defined roles that determine the behaviour of employees. These roles specify how employees should behave while performing their activities, depending on the type of their work specified in job descriptions and the responsibility for their performance. Particularly, the role culture is typically applied in big production companies where the management triangle is accurately defined. This triangle includes the top management on the top, coordinating lower organisational levels, whereas the power of the entire company is based on the elementary functional levels. The mechanical engineering industry was chosen intentionally, as the monitored companies are owned by foreign owners, and our aim was to verify by the survey which corporate culture form is applied by foreign owners to manage their companies. The survey thus clearly shows that these companies apply management based on accurately defined procedures and foreign owners are in full control of the entire operations of their companies.

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