

CONSIDERATIONS ON THE INTERCULTURAL MANAGEMENT MODELS OF WORK TEAMS IN THE CONTEXT OF GLOBALIZATION

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Abstract

The present study aims to present two of the most used international models for evaluating the organizational culture at company level. The models – Denison or Human Synergistics – are using a bottom-up approach, which starts from the employee level, in order to determine the organizational culture profiles, as a result of individual overlapping values and behaviours. The research will illustrate how the Human Synergistics cultural styles and the Denison cultural dimensions and traits draw an accurate and detailed image of the organizational culture at company level. The study is proposing a complementary approach, by using both models simultaneously, in order to obtain a more complex representation of the organizational culture, defined by the capacity of the organization to build a collective identity, in order to seize the changes in the external environment and to transform the threats into opportunities. The result could form a foundation to define a future process of modelling the cultural transformation of a Romanian company, for a better adaptation to the Romanian business environment.

Keywords: Organizational Culture, efficient organization, Human Synergistics Model, Denison Model, cultural styles, cultural traits, cultural indices

JEL Codes: M14, A13, D23

1. INTRODUCTION

This study aims to analyze two models for evaluating the organizational culture, among the most used internationally: the Denison model and the Human Synergistics model.

These models complement the palette of tools for analysis and evaluation of culture, focusing - unlike Hofstede models [1] and GLOBE¹ [2] - on the analysis and evaluation of organizational culture at the company level.

Professor Dumitru Zai defined in his book „Intercultural Management” company culture as „a manifestation of high culture (national, regional, ethnic) by which the company marks more deeply its intimate identity, in order to evolve in a particular context and often hostile” [3]. For this reason, we expect to find at the company level organizational behavior that shape organizational culture and which are rooted in values, traditions and norms shared by most of its members and specific to the society where they belong.

According to professor Dumitru Constantinescu, the organizations „are reproducing at the micro level the social system allowed in the respective society” [4]. A change of national values can only come over several generations (some believe that it takes at least two generations for a society to produce significant changes in these values).

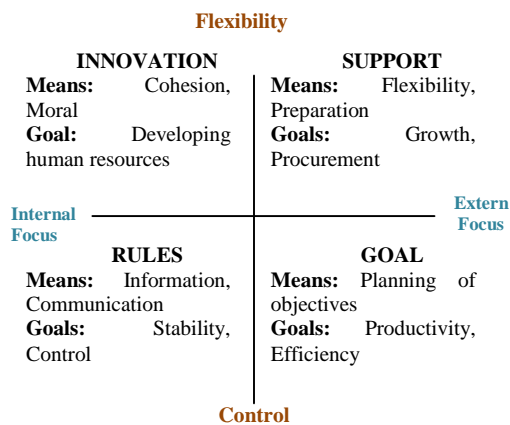
2. MODEL EVALUATION OF ORGANIZATIONAL CULTURE AT THE COMPANY LEVEL

The models mentioned above use a bottom-up approach, namely, starting from organizational culture based on values of individuals within companies to determine the overall organizational culture, as result of individual behaviors.

American researchers R. E. Quinn and J. Rohrbaugh (1983) constructed an evaluation model based on four factors distributed on

two axes: control-flexibility and internal focus-external focus. This is the underlying theory of the organizational culture assessment tool called FOCUS, a model that represented the starting point for many current tools for evaluation of organizational culture. [5]

Figure 1. The Focus Model



Source: Quinn, Rohrbaugh, 1983, p. 367

Remarks (Figure 1): Various combinations of these features give us the orientation of organizational culture as a consequence of these factors. Thus, within the FOCUS model, we can have the following guidelines:

- *Orientation towards support* – flexibility and external focus;
- *Orientation towards innovation* – flexibility and internal focus;
- *Orientation towards rules* - control and internal focus;
- *Orientation to the goal* - control and external focus.

2.1. Denison Model

Professor Daniel Denison proposed a model – Denison² model – for analyzing organizational culture as a result of four traits of the organizations: *involvement*, *consistency*, *mission* and *adaptability*, to each of them corresponding three subfactors, named *cultural indices*. [6]

What is new about this model is the link drawn between the current business management („day to day” management) and the profound implications that this practice produces at the level of behaviors, attitudes and shared values of employees. In this way,

Circumplex Denison (shown in Figure 2 **Error! Reference source not found.**) is a chart easily understood by managers and allows a quick interpretation of organizational culture.

In reality, it is extremely difficult to separate managerial practices that derive from the fundamental values of individuals of management practices derived from shared values of their organization. For this reason, some researchers³ consider the organizational culture as „mystical and practical at the same time” [7].

Figure 2. Denison Model®. Fundamental traits of organizational culture



Source: Denison D. and others, 2006

In relation with the sizes and calculated indices, one can identify specific beliefs and behaviors, the model focusing on two axes: stability/flexibility and internal focus/external focus.

Involvement

Involvement is a key factor in shaping an effective organizational culture and it means encouraging the development of human capacity in the company, creating a sense of responsibility and the idea that the smooth running of each organization will improve the lives of employees.

As professor Denison shown, involvement creates a sense of ownership and individual accountability. [8]

At the same time, developing a high degree of involvement among employees can also have negative effects. A high involvement „creates important expectations

and hence a higher risk of failure if they are not met” [9].

In our opinion, the greatest benefit to organizations that enjoy a high degree of involvement of employees is a significant decrease of the transaction costs⁴.

Denison model proposes three sub-factors (cultural indices) to measure this cultural trait:

- **Empowerment**, which assesses the areas of responsibility in which employees can make their own decisions based on data they have access to and those that do not have this right.
- **Orientation to the team** looks at how the teamwork is encouraged in the organization.
- **Skills development** measures the importance attached by the management to developing new skills and giving the employees new roles and responsibilities.

Consistency

This feature characterizes an organizational culture based on developing a common system of beliefs, values and symbols that are understood and shared by everyone in the organization.

A high index of consistency means an alignment of values and beliefs of the organization policies and management practices. Conversely, the existence of a rift between the organization's values and behaviors and business style imposed by the leaders will jeopardize the system of shared values and affect the internal integration of the members.

Although there are similarities between the scale of Involvement and Consistency, the two features are characterizing different dimensions of organizational culture. Involvement refers to participation of employees in the processes taking place within the organization, while consistency shows to what extent the existence of a common value system can offset the negative effects of a low involvement. [11]

Denison model proposes three sub-factors to measure this cultural feature:

- **Coordination and integration**, measuring the ability to ensure that

employees performing work that serves the entire organization;

- **Fundamental values** show its capacity to define a set of values and principles to guide its employees and managers in decision making and to behave in the way the organization expects;
- **Agreement** defines the ability to engage in dialogue and to support multiple views when there are difficult problems to solve.

Adaptability

If the first two cultural features characterized only the organization's internal environment, measuring the degree of internal integration, a concept defined by E.H. Schein [12], the following two features refer to the external adaptation ability of the organization.

Adaptability highlights an organization's ability to receive signals from the external environment, interpret them and turn them into national behavior change to increase the responsiveness of the organization.

These three characteristics have an impact on the adaptability of organizational culture and cultural as measured by the following cultural indices: **Create change** – the organization's capacity to take new ideas and explore new ways;

- **Focus on customer** – recognition by employees of the need to serve the organization's internal and external customers;
- **Organizational learning** – capacity to learn from both successes and especially of errors.

Mission

The Mission shows the extent to which there is a strategic vision and direction and, especially, to what extent they are known and shared from the first to the last employee. Mission shows that employees know „why” they do what they do and know how their daily work contributes to this „why”.

Measuring Mission will be achieved through three sub-factors:

- **Strategic direction and intentions** show the organization's capacity to

set strategic objectives in order to achieve their „vision”;

- **Aims and objectives** show the organization’s ability to set specific short-term targets to guide employees and show them what is the connection between their daily work and the company’s „vision”;
- **Vision** shows the extent to which the „vision” of leaders on the fundamental purpose of the organization exists and it is known by the employees.

Integration of the four cultural features in the Denison model

The four cultural features presented above provide an insight into the perceptions of employees about the adaptation of the organization they belong to the external environment and their degree of internal integration.

We conclude by saying that the *Mission* refers to the organization’s long-term orientation. *Consistency* defines the values that form the basis of a strong company culture: cohesion, coordination and control. *Involvement* allows human resource capacity development, sense of responsibility and autonomy. *Adaptability* allows the translation of changes in the external environment action efforts.

These features can be also analyzed in pair. As we have seen, Involvement and Consistency refers to how the process of internal integration and organizational culture influence each other, while others, Adaptability and Mission, focus on the relationship between the organization and its external environment. But there are other ways to Denison circumplex analysis. For example, if we look to the left of Figure 2, we note that Involvement and Adaptability show the flexibility of the organization, characterizing its ability to change easily. A flexible organization will always be able to find innovative solutions to a new problem. Conversely, at the right side, Mission and Consistency show the organization’s orientation towards stability. Such an organization will resist change, but the organization may be ideal if the environment in which it operates is stable and predictable. [13]

Each pair of factors has distinct effects on the organizational performance. Thus, **mission and consistency** can significantly improve the financial performance of the organization, **consistency and involvement** increase the employee satisfaction and motivation, **involvement and adaptability** contribute to the development of innovation capabilities and **adaptability and mission** influence the growth of turnover. [14]

2.2. The Human Synergetics Model⁵

Professor Robert A. Cooke started research into the organizational culture to identify those factors that affect cultural nature, positive or negative organizational climate. Based on this separation, were separated three cultural styles (constructive, aggressive-defensive and passive-defensive), each containing four types of cultures. The organizational culture of an enterprise can be fully described by uniting the three Circumplex styles - Human Synergetics model – as a result thereof (Figure 3). [15]

Figure 3. Human Synergetics®



Source: Human Synergetics Romania

Constructive Styles

Constructive styles characterizes the organizational culture in which members are encouraged to interact with each other, and tasks are addressed in a way that brings their performance to their needs for satisfaction and fulfillment.

Cultural indices characteristic to constructive styles are (*orientation towards*): **results, self-development, humanistic-encouraging and affiliation.**

Results-based culture is specific to organizations that focus on a job well done, valuing employees who perform. In such a culture employees set their goals high, but realistic, set plans to achieve them and pursue them with enthusiasm.

Culture based on self-development is specific to organizations that emphasize creativity and quality rather than quantity, completion of tasks and individual development. Employees are encouraged to obtain satisfaction from their work, to be self-developing, constantly seek new and interesting activities.

Humanistic-encouraging culture is specific to organizations that are driven participatory, focused on the individual. It is expected that employees of these organizations provide support, have constructive and open relations between them.

Affiliate culture characterizes the organizations that give priority to constructive interpersonal relations. Employees are friendly, open, and sensitive to the satisfaction of their working group.

Passive-Defensive Styles

Passive-defensive styles are characteristic of cultures in which members interact with each other by a defensive manner, so that this interaction does not threaten their own security needs.

Cultural indices that are characteristic to passive-defensive styles (*orientation towards*): **approving, conventional, subordination and avoiding.**

Approvingly culture describes the culture of organizations in which conflicts are avoided, and interpersonal relations are amicable, at least a superficial level.

Conventional culture is specific to conservative, traditional and bureaucratic controlled organizations. Employees are expected to conform and follow rules.

Subordination culture characterizes the organizations that are under hierarchical control and non-participating. In such organizations, decisions are taken at the central level and employees are determined

to do just what they hear and check any decision with their superiors.

Avoiding culture characterizes the organizations that do not reward success, but penalize mistakes. This negative reward system determines the employees to transfer responsibilities, in order to avoid any possibility of being penalized.

Aggressive/Defensive Styles

Aggressive/defensive styles are characteristic of cultures in which members of the organization approach tasks in an aggressive manner, such as to protect their status, ensuring through this attitude the fulfillment of security needs,

Cultural indices characteristic to aggressive/defensive styles are (*orientation towards*): **opposition, power, competitive and perfectionist.**

Opposition culture describes the organizations where confrontation prevails and a negative attitude is being rewarded. Employees get a higher status and extend their influence by criticizing others.

Power-focused culture is specific to non-participating organizations, structured as a hierarchical model, a model influenced by the positions occupied by the employees.

Competitive culture is the one where success is valued and employees are rewarded for competition among themselves. People working in such organizations work in a „win-lose” environment and struggle to be noticed even if it means to work against their peers.

Perfectionist culture characterizes the organizations where long term, hard work and attention to the details are valued. Employees feel they have to prevent all mistakes, have everything under control and work hard to achieve very specific objectives.

3. CONCLUSIONS

The two models, Denison and Human Synergetics, unlike the better known Hofstede and Globe models, focus on the culture at the company level. Independent use of each model does not totally explain, in our view, the specific culture of an organization. It requires the analysis of organizational culture at the company level to

take into account the specificities of the organizational culture at society level⁶. Results from both models are similar, indicating their ability to achieve an accurate X-ray of Romanian society in terms of organizational culture. Professor Bibu shows that GLOBE model a wish for change of Romanian society, „a migration to Western culture” [17].

Regarding the evaluation of organizational culture at the enterprise level, Denison and Human Synergistics models approach is complementary. Thus, Human Synergistics model explains individual behavior in the organization especially with reference to the extent to which employee expectations and needs of each organization are met. The Human Synergistics captures people’s basic attitudes in interaction with others and, further, how all these attitudes of employees form the company culture. In our opinion, Human Synergistics model tells us nothing about its capacity to respond to changes in the external environment, nor determine to what extent employees are pursuing strategic vision of leaders. Denison model quantifies the extent to which the organization adapts to the external environment and ensure internal integration group as the reporting individuals perception of the whole group. The Denison model evaluates its capacity to respond to environmental changes and the degree of internal integration of the group, as a result of the interaction between individual behavior and values which constitute the leadership required.

What can we reproach these models is that they are unable to predict in time stability of the organizational culture obtained by a process of cultural transformation.

This article is part of a larger research which will involve, in the following period, the application of the two models on a sample of companies in Romania. These models have never been used, at least not in Romania, to simultaneously evaluate an organization’s culture. Given that managers have a direct influence on shaping the culture of the organization, for this segment of the sample, we will evaluate by both models their influence on employees’ organizational culture.

In this study, we aim to compare the results obtained by the two models, to determine which model can thus measure with greater precision the organizational culture of a Romanian company. Such a comparison would not be possible, any models can be used equally well in this respect. Simultaneous use of both models, on the same sample of companies, allows defining a complex model that gives a comprehensive picture of organizational culture. The solution thus obtained can form the basis for defining a process of shaping the future of organizational culture, adapted to the business environment in Romania.

NOTES

¹ These models address cultural dimensions at society level, the results of using these models with little relevance to explain the particular organizational culture at the company level, using these models to identify the influences of national culture in a company’s culture, but without explaining deviations to a particular national culture.

² **Acknowledgement:** The Denison model is a registered trademark owned by Denison Consulting LLC Company. Model description was made with the consent of Denison Consulting Company and is based on material available to researchers on the company’s official website, www.denisonconsulting.com, on 30 November 2010.

³ British sociologist Anthony Giddens believes that we cannot study the relationship between social structure and organization for not taking into account the fact that individuals are affected by social structure and, in turn, affect the social structure of the organization. A similar argument can be used when talking about organizational culture and the fundamental values of the organization.

⁴ *Transaction costs* are costs of the economic system functioning. Although there is no universally accepted definition, professor R. Matthews gives the following division: transaction costs are those expenses necessary to prepare for signing a contract ex-ante and monitoring its implementation or ex-post, thus opposing the production costs which are the expenses required for the execution of a contract. [10]

⁵ **Acknowledgement:** The Human Synergistics is a registered trademark owned by Human Synergistics International. The Human Synergistics model description was made with the approval of Human Synergistics International and is based on the presentation of this model in the book „In Great Company”. [15]

⁶ The results of Hofstede model shows that the Romanian society tolerates unequal distribution of power easily, is collectivist, but encourages individualism and aggression in social relationships with interpenetrated male and female values and with a high level of tolerance for uncertainty, which determine a higher resistance to change and the avoidance of risk by not assuming responsibility. Also, the results show low-performance oriented and present-focused rather than to the future, more short or medium term than long term. [16]

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