The specificity of the Organizational
Culture in European Management

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Abstract: Starting with intensifying globalization and the internationalization of economic relations, increased the competitions on the world market, producing a number of restructuring, changes in the international management and subjecting firms to reengenering. The emergence of technology has changed the way of making transactions eliminating the human intervention. The economic organization in these terms focuses more on knowledge and communication than control and administrative hierarchy. The necessity for organizational culture research is given that this exerts a strong influence on a company performance and becomes more pronounced in dynamic conditions in the external environment. A culture must be accepted by all company employees and the managers have to identify cultural factors that hinder the development and transform these factors into values. The leaders are those who manage to create vision of the future that they wanted and they influence and, in turn, they are influenced by organizational culture. European context is characterized by a cultural variety and we can not speak of a management model as is the Japanese or the North American. Europe is characterized by the coexistence of many cultures which presents similarities and considerable differences. Makridakis, in his "Single Market Europe" remarked that the EU cannot be treated as a unicultural organization. Cultural differences existing in the EU is not an obstacle to European integration; they can become the source of many competitive advantages for the EU citizens. Europe is showing a trend of convergence of his values: decrease of the religious values as a source of moral obligation; the development of the democratic political system; the increase of the social relations values. We are able to conclude that, at the cultural level of Europe, is characterized by great diversity based on a set of common and similar values, which are major components of European integration.

Keywords: culture; European management; cultural diversity; common cultural values.

1. Definitions of Culture in Management

The concept of culture knows many definitions in Management. **Raghu Nath** claims that can be put equal sign between the concept of culture and nation. After Kelly, culture is synonymous with the concepts of mentality and action.

Kluckhohn C. believes that culture is structured a way structured on thinking, feeling, and riposte in a human group and transmitted mainly by symbols , which represents his identity, and includes article who are produced by the group. Heart consists of traditional ideas (derivatives and selected by the history) and the values attached to them.

In **Geert Hofstede's** conception, culture is: "the collective programming of the human spirit which distinguishes the members of a class from the members of another". Defined as, culture includes **value systems**, which are among the essential elements of it. For the human community, culture is like the

personality for a human being, and culture represents „ all the interactive common features influencing the response of a human group, in the same way as personality determines the identity of an individual person. Frequently, managers, considers culture as collective thinking programming that distinguishes a human group from other group, the aggregation of interactive features influencing the response of a human group in his environment (Comanescu, 1999).

A company culture reflects a complex interaction of values that characterized attitudes and behaviors, as is reflected by the members. The patterns individual and group are changing, in turn influencing the company culture which creates a continuous cycle transformer.

The concept of culture is associated to the organization, that is influenced both by the external factors related with the environment, and the internal, the last one come from the organization and management, from human relationship existing within it.

Some research has shown that managerial values affect the organization's strategy, and all forms of organizational behavior such as: selection and reward systems for staff, chief-subordinate relations, and conflict levels. In the category of domestic factors (endogenous) who are affecting the operation of the organization, specialists in the field include: the owner of the company; the top management, management team and other constituents of the Board; firm size, human potential, the informational potential; economic status of the enterprise and the organizational culture. From a formal and informal point of view, the organizational structure and mechanisms that supports influence the general policy of the organization or the election of his strategic project.

This overall strategic project-organization produces a culture of organization that allows the integration of the organization in its environment and which also constitutes a factor of stability. The organization culture implies a complex evolution rooted in its history. Culture helps organization to establish their identity in correspondence to all characteristics of the organization, giving it stability and also specificity.

European culture – a complex of similarities and differences in national cultures

Between cultures and within each culture, it is a rich diversity, some behaviors, ideologies, attitudes are advantaged, others rejected or repressed (rule, for a company, is the most common and most acceptable model value, attitude and behavior). The current management guideline, also *international and intercultural,* finds its best application in the **European area**, a continent of national states which were formed and developed organically in a long historical process.

Europe is a region of great cultural diversity, and therefore requires a management system combining the concept and practice of management of European organizations in a **common cultural pattern,** a reference for the European area. In this respect **Euromanagement**, said the discipline of study in the 1990s, is not just a regional customization of compared management or intercultural and interregional. Euromanagement covers a complex reality: management concepts and practices of the firms, European (Organizations), which are claimed by a common European model (Burdus, 2006, p 279).

Anthropologists **Kluckhohn** and **Strodtbeck** established a set of assumptions able to understand the cultural orientation of a company without affecting the diversity of society. These assumptions are: **there are a limited number of common human problems, for which all people in all times and must find some solutions** (society must decide about the clothing, food and accommodation of the people, and over the systems of education, communication, health, commerce and government). **There are a limited number of alternatives for solving these problems.** Each company has a dominant profile or dominant value orientation and furthermore has many options or alternatives

The assumptions above emphasize that cultural differences always are referring to norms and stereotypes. They never refer to the behavior of all people in a culture nor predict the reaction of an individual. When we speak of a *European model of management*, we tend to think of an alternative, the management of U.S. and Japanese management, which is based on a certain specific culture, relatively homogeneous. The specialists draw attention that for Europe is no appropriate a cultural model of management, such as Japanese because the European context is characterized by great cultural diversity. However in Europe there is a prevalent humanist idea that progress should serve man and not vice versa.

A description of Europeans can be made as follows: *"The U.S. business focuses more on quantity, and performance figures than the human aspect. In Europe there is the belief that man is the center of all concerns"* (Constantinescu, 1999). Today, at the European level, following the EU integration process of the new member countries is needed to outline a management model to harmonize all the management styles.

It has been changed not only the formal social institutions but also informal ones: value systems and behavioral norms. The cultures of the European countries are characterized by *similarities* but also by considerable *differences* researchers results in this respect are different from each other.

This affects both the organizational culture of each national economy and leadership styles and management representative for each culture.

After *R. Lessen şi F. Neubauer* (*European Management System towards Unity of Cultural Diversity*-1993), European nation are divided according to cultural particularities in four categories (after the four cardinal points) for each category there are representative countries. Each of these countries has a dominant cultural feature, leading to some kind of management.

- for the Nordic countries its characteristic is thinking, being a specific bureaucratic culture, Object oriented knowledge, strategic planning, managerial control, long-term forecast and a manager who focuses on change

- Countries of southern Europe, which is representative of Spain, the essential characteristic is to share values of social affiliation, human resources, which usually does a visionary manager.

- Countries in Western Europe, UK is representative, are characterized by perception, culture with a commercial bent enthusiasm, action, entrepreneurship, short-term perspective and a manager with leadership qualities.

- Eastern Europe is characterized by intuition, with an industrial culture, bent work ethic, appreciation of art, work discipline, long-term perspective and a manager architect.

Analyzing the diversity of European culture, **Yochanan Altman** presented some features of four types of European cultures on the following groups of countries: capitalist traditional, southern countries, Scandinavia and very communist countries.

The traditional capitalist countries, where Altman included Britain, France, Germany, northern Italy, Belgium and the Netherlands (which are characterized by strong urbanization and a strong middle class) value system is based on entrepreneurial spirit, ability innovation, freedom of action, all based on a strong national identity.

Southern European countries (Spain, most of Italy, Greece, Ireland, part of southern France) were industrialized later and are characterized by combining agriculture with services.

Specific to these countries as cultural feature is strong due to the group and to the family, nepotism, money account as proof of good respectability.

Scandinavian countries (Denmark, Sweden, Norway, Finland), who developed the social care sector, are characterized by a wide range of opportunities, access to resources, accepting responsibility and emphasizing money is considered bad taste, they are associated with security.

Former communist countries, (Poland, Czech Republic, Slovakia, Romania, Hungary, Bulgaria and Albania) recently emerged from a communist economy, are characterized by two value systems: one imposed by the communist regime and other specific to the population of each country. From the values imposed by the communist regime include: respect for hierarchy, work is not separate from the individual life, the function is more important than a person, money does not have value.

About the specific values, although they differ from one country to another, we remember: the responsibility for mutual obligations, employer-employee importance of relationships.

Makridakis researcher, in his Single Market Europe made clear that the EU cannot be treated as a monoculture. However, from a cultural standpoint, the people who compose it are alike in a much larger extent than they differ among themselves.

These cultures are similar in terms of religious beliefs (which are basically Christian) and governance systems have the same type.

Makridakis highlights the main differences at the cultural level, grouping the countries of Europe into two main categories: **Nordic cultures** (the culture of Germany), and **Mediterranean**, with the **culture of Latin**. Add to this the **culture of Central Eastern European countries** that recently joined the EU. Differences between cultures in the EU countries, individually and grouped by similar values of important cultural parameters, appear in the well-known graphics (maps) of Geert Hofstede. Such a model map provides a placement in the distribution of EU countries: masculinity-femininity, uncertainty across the control, or is placing the EU countries in the distribution of hierarchical distance, individualism-collectivism. Of course, it can reveal many differences between EU countries on a cultural level. Crossing Western Europe from north to south reveals very different needs related to work, organizations and society. Thus, low tolerance to uncertainty in life and work, and predisposition to hierarchy, explains why firms and bureaucracy in the administration is appreciated even in countries like France, Italy and Spain. Structures and values in southern countries (Italy, Spain, Portugal) are less individualistic than in the Nordic countries (UK, Holland, Germany or Denmark). In countries like Sweden, Denmark and the Netherlands, care for others and have a pleasant and clean workplace are often considered more important than his own career and work.

T.Z. Chung makes an interesting comparison between the characteristics of European culture and Asian culture, highlighting the specificity of each one. The table below shows these differences in a simplified manner:

Table 1

Line no.	European culture (Yang)	Asian culture (Yin)
0	1	2
Thinking		
1	Causal, functional	Network, the whole vision
2	Linear, absolute	Nonlinear, relativistic
3	Horizontal	Vertical

Decisions			
4	Correlated with the control results	Trust	
5	Individual, free of restrictions	solidarity group	
6	In the majority	Achieving consensus	
Behavior			
7	Appropriate principles	Given the situation	
8	Based on rule of law	Appropriated to the vision of community	
9	Dynamic, facing conflict	Harmonious	
10	Open, direct, confident	Hold, indirectly, based on self-protection	
11	Extroverted	Introvert	

*Table adapted from T.Z. Chung, Culture: A Key to Managing Communication between the Asian - Pacific Area and European "European Management Journal"

2.   Common European Cultural Characteristics

Cultural differences existing in the EU is not an obstacle to European integration but, they can become the source of many competitive advantages for the EU.

Investigations conducted by several researchers have shown that in Europe is showing a trend of convergence in the values which are reflected by:

- Decrease the religion as a source of moral obligation - this is more relevant to the north of Europe, more developed technically and economically;

- The development of democratic political systems

- Increase value of the multiple social relations. In EU countries there are many relevant social relationships outside the workplace and family (relations of friendship, partnership, voluntary association, etc.). The quasi-private lifestyle of the family provides emotional support and promotes appropriate social learning. This change is more evident in countries like Holland, Denmark or Germany than Italy, Spain or Ireland.

- Work is a cultural value as high as pleasure. Profound technological changes and the degree of organization of work, organizational explosion are reflected in enhancing the importance of work. Pleasure and work are becoming more complementary values.

- Orientation towards the globalization. The process of fulfillment is becoming a value. Reward is the achieving of a strong individualistic touch. A collective dimension is reflected in increasing self-confidence and responsibility, which provides relatively equal opportunities to a large number of individuals. In the European societies, the social justice is increasingly important.

- A strong opening to the world of European culture by promoting values such as peace, human rights, national environmental protection, fight against poverty etc.

A study conducted by **B. Strumpel** revealed several conclusions about some common cultural features, which began to appear and to require in most European countries, especially in economically

developed. In the European context is an amplification of multiple social relationships outside of work and family, between partners, associates, etc., especially in countries like Denmark, Holland, Germany.

Particularly in countries with technological development, particularly in the north, there is increasing participation of individuals and organizations to reconsider morality and its impact on the economic, political and social field.

The democratic political systems in European countries are promoting new elements of democratic forms of participation of individuals in the entire socio-economic activity. *Thus the values of peace, human rights, environment protection, fight against poverty are the new guidelines in the attitudes of citizens of European countries, which may have a new moral dimension.* (Burdus, 2006, pp. 281-282).

We conclude that, at European level, there is outlined a culture that is manifested on the background of national cultures and Europe is characterized by great diversity, based on a set of values, common and similar in nature to promote processes of cultural convergence that are major components of European integration.

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