

RESULTS OF ANALYSIS OF ORGANISATIONAL CULTURE IN ORGANISATIONS IN THE CZECH REPUBLIC AND SLOVAK REPUBLIC

H. Urbancová

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Abstract

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The article deals with issues concerning organisational culture and its maintenance in existing conditions in organisations in the Czech Republic. The importance of the topic lies in the fact that organisational culture is a reflection of human dispositions in work activities and strengthens one's attitude to work and regulates relationships between employees and the management of the organisation. The aim of the article is to identify the importance of organisational culture and to determine the process of its development and its maintaining in organisations in the Czech Republic. Data has been obtained through a questionnaire survey carried out in organisations in the Czech Republic and evaluated using the tools of descriptive statistics. Primary data was evaluated using the tools of descriptive statistics and also the methods of comparison, induction, deduction and synthesis were applied. The results have been compared with the outcomes of a similar survey which took place in the Slovak Republic. At present, the theme of development and maintenance of a suitable organisational culture for the purpose of ensuring the required level of organisations' performance and gaining a competitive advantage is highly relevant and significant in terms of its possible application in both scientific and practical activities.

organisational culture, human resource management, analysis, comparison, organisation, survey

Today the success of organisations depends on efficient management which is determined by the suitability of organisational culture as it encourages the co-operation of all employees, effective mutual communication across the organisation and work co-ordination. Organisational culture may be perceived as a common and shared set of ideas, opinions, views, attitudes, norms and values (Kachaňáková, Stachová, 2011; Čambál, Hóghová, 2008; Lukášová, Nový, 2004). Molek (2008) adds that organisational culture is so strongly "engraved" in some of the organisation's employees that it becomes natural for them. Lukášová, Nový (2004) also note that employees' behaviour as influenced by organisational culture projects in their creations of both a material and non-material nature. Uriga and Obdržálek (2009) add that a precisely set organisational culture becomes an increasingly important added value of services and products

offered by the given organisation on the market, a determinant of relationships with business partners and in particular a distinctive feature of the organisation that distinguishes the organisation in the eyes of current and potential employees and a management tool and a source of motivation of employees in organisations, which is confirmed by Kachaňáková and Stachová (2011). In compliance with Cagáňová *et al.* (2010), Kachaňáková and Stachová (2011) state that for its practical application the support of top management is essential and that it is important to support organisational culture as a real tool that may be purposefully and systematically modified.

Organisational culture consists of elements that represent the core building blocks of the entire system (Bratianu, 2008). These are ideas of individual employees of the organisation shaped by their knowledge and experience, their basic

predispositions, values, norms, attitudes and creations (Cow, 2012; Matošková, 2012; Lukášová, Nový, 2004). Important elements determining organisational culture are, according to Ruščáková (2008), the personal priorities of individual employees.

The goal of the article is to identify, through the analysis carried out, the importance of organisational culture, to determine the process of its development and its maintenance in organisations in the Czech Republic and to compare the outcomes of the analysis with the results obtained in organisations in the Slovak Republic. A sub-goal of the article is to determine the relations between the qualitative features examined.

Theoretical background of the work

At present, the theme of organisational culture, its development and maintenance under current organisational conditions is highly relevant and significant in terms of its application in both scientific and practical activities. In general, organisational culture may be perceived as a reflection of human dispositions in work activities which strengthens man's attitude to work and regulates relationships between employees and an organisation's management (Kachaňáková, Stachová, 2011). Organisational culture is determined by two types of determinants, i.e. internal and external ones. External determinants include: social system, economic system, position on the market, the impact of the environment, etc. while internal determinants comprise an organisation's history, its strategy, education of employees, processes used, etc. Another possible classification, including the presented example, is the division into tangible (an organisation's property) and intangible (stakeholders' and employees' interests) determinants; past (an organisation's history) and present (processes applied) determinants or determinants that are possible to influence (employees' education) or impossible to influence (an organisation's age) (Pfeifer, Umlaufová, 1993). Among the factors most emphasised are: the impact of the environment, the impact of the size and length of existence of an organisation, the impact of technologies and of the founder (Lukášová, Nový, 2004).

Organisational culture manifests its positive effects only if it is sufficiently strong and compatible with other elements of the system (Shih, Chiang, 2005). It then creates a synergic effect which is directly reflected in processes, such as co-ordination, integration and, last but not least, motivation, since organisational culture is, according to Bedrnová and Nový (1998), superior to personnel management.

Harrison and Handy's typology (in Nový, 2004), which is considered to be the first published typology, distinguishes four basic types of organisational culture characterised by the criteria of the predominant direction followed by the organisation. These are:

- The power culture – aims at the dominant position of both an individual and the entire organisation.
- The role culture – favours adhering to norms and rules.
- The task culture – highly praises the fulfilment of specific tasks assigned and projects based on knowledge and skills.
- The person culture – respects and encourages individual needs and ambitions of individuals and good relations among employees. It provides space for self-fulfilment and personal growth (in Lukášová, Nový, 2004).

The above shows that if employees in the organisation share the same basic predispositions, values and attitudes, they contribute to the improvement of the process of information and knowledge sharing (Matošková, 2012; Jeon *et al.*, 2011; Shih, Chiang, 2005; Ipe, 2003). Organisational culture is also seen as one of the factors determining the transfer of knowledge in organisations (Lindner, Wald, 2011; Luring, Selmer, 2011). If an organisation has a functioning culture, it can achieve a competitive advantage.

MATERIALS AND METHODS

The findings presented were obtained through a quantitative survey, using a questionnaire technique of data collection. The survey targeted at organisational culture took place in 109 organisations in the Czech Republic from November 2011 to June 2012. The survey was designed in co-operation with the Department of Management at School of Economics and Management in Public Administration in Bratislava (SEMPA). Within the frame of long-term co-operation, identical quantitative surveys are carried out in selected organisations in both the Czech and Slovakia Republics. Thanks to this co-operation, it is possible to compare the results regarding organisational culture with the outcomes published by colleagues from SEMPA. The structure of respondents (organisations) was as follows:

- According to the organisations' size – in % (classification pursuant to the Czech Statistical Office): 49% (up to 50 employees); 29% (51 to 249); 22% (250 and over)
- According to the sector – in %: 71.6% private; 28.4% public
- According to the region – in %: South Bohemia 34.9%; Prague 27.5%; Central Bohemia 20.2%; other regions approx. 1.5%.

For the purpose of the article three survey questions were developed, by means of which null hypotheses were further tested. The outcomes obtained are presented herein below.

- Survey question No. 1: Do organisations in the Czech Republic find it important to focus on the development and maintenance of a suitable organisational culture?

- Survey question No. 2: Do organisations in the Czech Republic carry out analyses of organisational culture?
- Survey question No. 3: Have monitored organisations in the Czech Republic implemented a project of changes in organisational culture (within a 5-year time horizon)?

Primary data was evaluated using the tools of descriptive statistics and also the methods of comparison, induction, deduction and synthesis were applied. Within the frame of descriptive statistics, the following tools were used: absolute and relative frequency, a non-parametric Chi-square test and the level of dependence was measured based on Cramer's V. To evaluate the data, the SPSS 19 statistical programme and MS Excel 2007 were used. The contribution contains abbreviations: OC = organisational culture and HRM = Human Resource Management.

RESULTS AND DISCUSSION

The chapter presents and evaluates the outcomes of the questionnaire survey and comprises a comparison with a similar survey carried out in Slovakia. Individual chapters focus on the testing of hypotheses relating to individual survey questions.

Evaluation of the results of the survey

The survey has shown that a total of 86% of organisations find it important to develop and maintain a suitable organisational culture that will ensure organisations achieve the required level of performance. Only 14% of organisations stated that

maintaining a suitable organisational culture was not important and they did not believe it improved the running of the organisation in any way.

On the other hand, projects targeted at changes in organisational culture or development of a new culture have been carried out only by 28% of organisations during the last five years; other organisations (72%) do not plan any changes. The absolute frequency figures are shown in Tab. I.

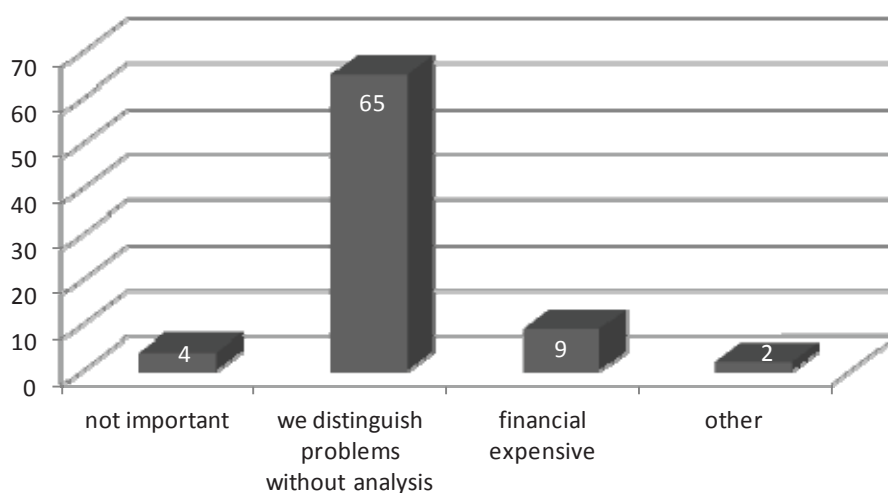
Organisational culture analyses take place in only 27% of organisations; the majority of organisations (73%) do not execute any analyses. With respect to the fact that the figure obtained is rather high, the reasons behind it were analysed. The majority of organisations (60%) responded that they were able to identify individual areas of organisational culture and their significance without analysing it. All responses (in absolute frequencies) of organisations that fail to carry out the analysis are shown in Fig. 1.

Within the scope of the organisational culture analysis, the year during which the last analysis took place was monitored. The majority of organisations (out of 29 that carry out analyses) analysed organisational culture in 2011 (35% of organisations), 38% of organisations carried out the analysis in 2010 and 17% in 2009. 10% of organisations analysed their organisational culture before 2009. Those organisations that analysed organisational culture in the period 1998–2005 expect a new analysis to take place in the near future. The necessary information on organisational culture and its changes is obtained from various sources, 22 organisations (20.2%) mentioned the use of specialised literature, 32 organisations (29.4%) take advantage of training and

I: Research questions

Research question	YES	NO
Do you consider the creation and maintenance of suitable OC for important?	94	15
Have you been realizing the project of OC change during 5 years?	31	78
Do you realize the analysis of OC in your organisations?	29	80

Source: author's survey



1: Reasons for not realizing the organisational culture analysis

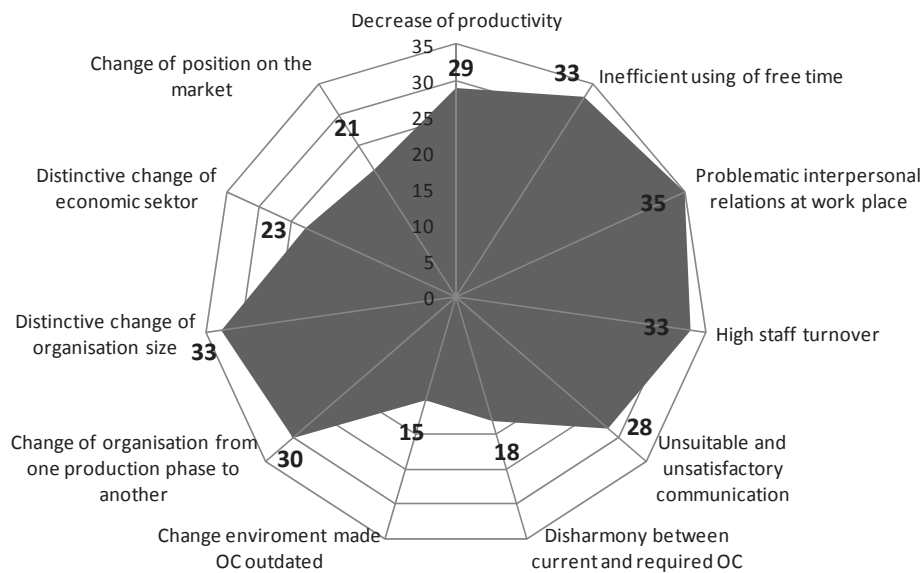
Source: author's survey

seminars, 11 organisations (10.1%) use the services of consultants, 42 organisations (38.5%) do not search for information at all and 2 organisations (1.8%) obtain information otherwise, i.e. using the Internet.

Organisations' motives for carrying out analyses or planning to execute them in the following two years were also examined. Respondents were allowed to provide more answers. According to the graphic representation of answers obtained, as shown in Graph II, it can be said that the most common motives for organisational culture analyses are complicated human relationships at the workplace (12%), followed by inefficient use of free time (11%), high employee turnover (11%) and a significant change of the organisation's size (11%). Other motives mentioned include a drop in

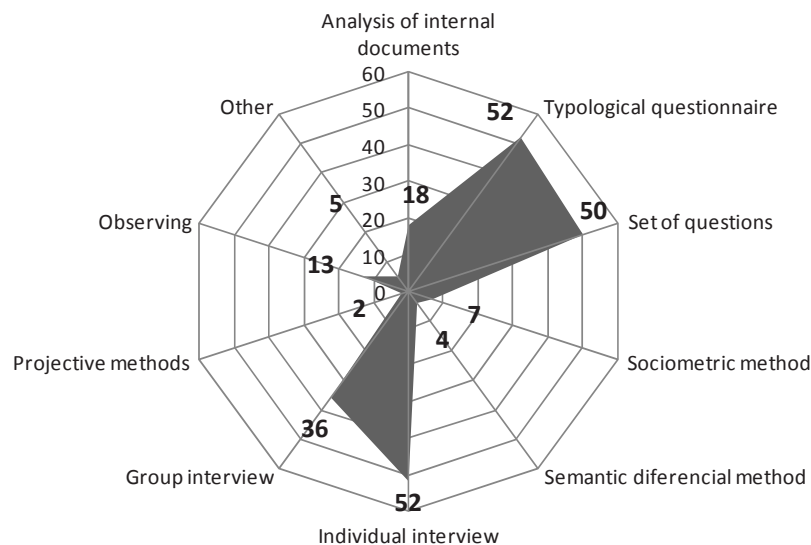
productivity (10%) or inappropriate and insufficient communication (9%). Detailed results in absolute frequencies are indicated in Fig. 2.

Further whether organisations have their own methodology for organisational culture analysing which they have used or plan to use in the future has been examined. 50% of organisations noted that they possess an organisational culture analysis manual and the results and changes fall within the responsibility of internal employees. On the other hand, 28% of organisations answered that they had used or would use external organisations to carry out the analysis since they had no experience with the analysis process. The other 22% of organisations expressly stated they were not planning any analysis



2: *Impulses for realisation of the organisational culture analysis*

Source: author's survey



3: *Methods applied in organisational culture analysis*

Source: author's survey

in the future. The organisational culture analysis methods are shown in Fig. 3.

A total of 22% of organisations use or plan to use the method of typological questionnaires and also the method of personal interviews (22%), while 21% of organisations would use a prescribed set of questions. 15% give preference to group discussions. Only 2% of organisations stated that they had used other methods than those shown in Fig. 3.

With respect to the above mentioned, it can be noted that organisations feel the importance of organisational culture development and maintenance, however, organisations still fail to carry out, to a sufficient extent, independent analyses or implement projects of changes in organisational culture that would better respond to their changing internal and external conditions.

Comparison of the results of surveys in the Czech and Slovak Republic

Within the frame of the chapter the results are compared with a similar survey executed in

Slovakia in 2011 (the survey sample consisted of 239 organisations, therefore the comparison is expressed in percentage shares).

The figures in Tab. II and III demonstrate that there are no major differences between the implementation of projects aimed at changes in organisational culture in the monitored organisations in both countries. In the Czech Republic projects concerning changes in organisational culture are implemented by 28% of the organisations monitored, while in Slovakia it is 35% (a 7% difference). Also the differences between the numbers of organisations executing organisational culture analyses are only 7%.

Tab. III shows proportions (in percentage points) between organisational culture change project implementation and execution of organisational culture analyses. The results demonstrate that in the Czech Republic a total of 21% of organisations carry out both analyses of organisational culture as well as regularly project changes; in Slovakia this is 24% of the organisations monitored. On the other

II: Comparison of the results of organisational culture analysis in the Czech and Slovakia Republic

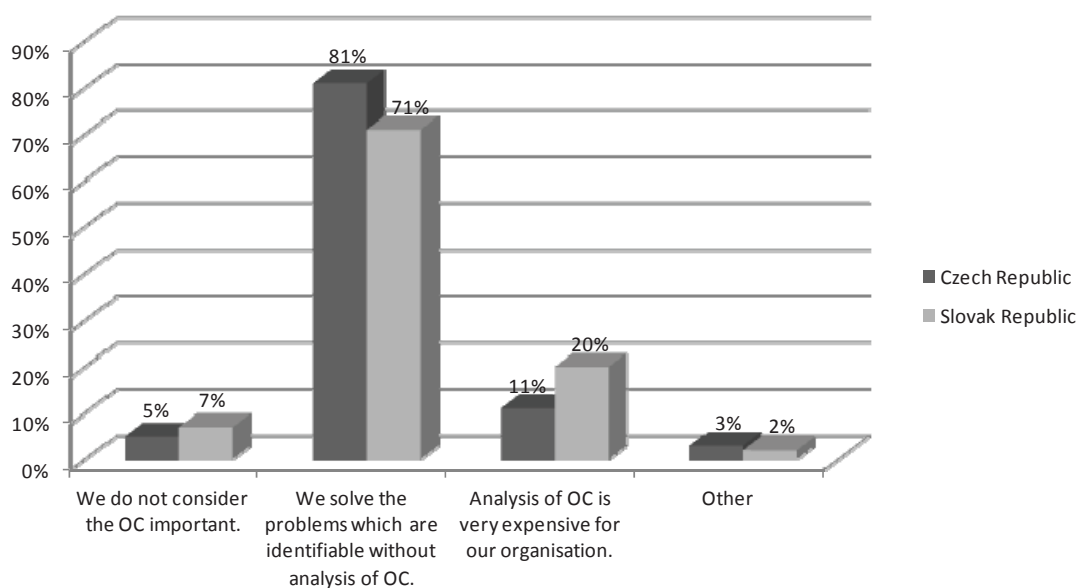
Country	Czech Republic		Slovakia Republic	
	YES %	NO %	YES %	NO %
Realization of project of organisational culture change during 5 years in organisations.	28	72	35	65
Realization of analysis of organisational culture in organisations.	27	73	34	66

Source: author's survey combined with Kachaňáková, Stachová (2011)

III: Comparison of the results of organisational culture analysis in the Czech and Slovakia Republic

Country	Czech Republic		Slovakia Republic	
	Realization of analysis of OC	Realization of analysis of OC	Realization of analysis of OC	Realization of analysis of OC
Realization of project of OC change	YES %	NO %	YES %	NO %
YES %	21	7	24	11
NO %	6	66	10	55

Source: author's survey combined with Kachaňáková, Stachová (2011)



4: Reasons for not realizing the organisational culture analysis

Source: author's survey combined with Kachaňáková, Stachová (2011)

IV: Testing of dependency of qualitative characteristics

Order	Null hypotheses	p value χ^2	Rejection of H0	Dependency value	Dependence
1	Realization of analysis OC does not depend on importance area for organisations.	0,012	YES	0,241	weaker
2	Preparation of projects of OC change does not depend on importance area for organisations.	0,009	YES	0,252	weaker
3	The importance of creation and maintenance does not depend on organisation size.	0,216	NO	x	x
4	The importance of creation and maintenance does not depend on sector of economy.	0,870	NO	x	x
5	Analysis of OC does not depend on projects of OC change.	0,000	YES	0,679	strong
6	Realization of analysis OC does not depend if organisation has department of HRM.	0,001	YES	0,314	medium
7	Method of realization of analysis of OC does not depend on organisation size.	0,019	YES	0,332	medium
8	Change of OC during last 5 year does not depend on sector of economy.	0,393	NO	x	x
9	Change of OC during last 5 year does not depend on organisation size.	0,078	NO	x	x

Source: author's survey

hand, 6% of organisations in the Czech Republic analyse organisational culture, but fail to implement projects concerning changes, and a similar figure was obtained for organisations in Slovakia (10%).

Fig. 4 shows a graphic comparison in percentage points of reasons of resistance to organisational culture analyses. The percentage representation of individual reasons is very similar in both the Czech and Slovak Republics.

The most frequent reason for the non-performance of organisational culture analyses in both the Czech and Slovak Republics is the fact that organisations are convinced that problems dealt with within the frame of organisational culture are distinguishable without carrying out the analysis. Another reason is high financial costs.

As a result of the comparative analysis carried out, it can be summarized that the monitored organisations in both countries did not show any significant differences in results exceeding 10%.

In order to answer the survey questions specified in the methodology of the contribution, dependencies between qualitative features monitored have been tested. Using extracted data there was tested a dependency by applying of Pearson's Chi-Square test (χ^2 test). As the p-value calculated by means of the χ^2 test (Pearson Chi-Square) is lower than the selected level of significance $\alpha = 0.05$, null hypothesis has been rejected. Therefore 4 null hypotheses were tested to determine the significance of these issues for organisations (H_{01} až H_{04}) and 4 other hypotheses were tested in relation to organisational culture analyses (H_{05} , H_{06} , H_{07}). As regards the area of projects of changes in organisational culture, hypotheses H_{02} , H_{05} , H_{08} and H_{09} were set. Detailed results are provided in Tab. IV.

On the basis of the results presented above, it can be summarised that 4 null hypotheses may not be rejected while 5 null hypotheses were rejected and replaced by alternative ones mentioning the existence of a feature whose level of dependence ranges from 0.241 (weak) to 0.679 (strong).

It has been determined that performing organisational culture analysis depends on the

organisation's approach to this issue (how important it is for them) and the existence of a human resources management department. The application of methods of organisational culture analyses is determined by the size of organisations (0.332 – medium dependence). The bigger the organisation, the more common the analysis and the higher the number of methods used. The implementation of projects aimed at changes in organisational culture depends (0.252 – low dependence) on the importance of these issues for the organisation's management while the organisational culture analysis also depends on designing projects concerning changes in organisational culture. In the latter case the dependence was the strongest – 0.679 (Chi-square = 0.000).

CONCLUSION

Based on the evaluation of the outcomes obtained in organisations in the Czech Republic, it is possible to provide answers to the survey questions. The results have proven that:

- Organisations in the Czech Republic consider it important to deal with the development and maintenance of a suitable organisational culture. The majority of organisations, however, are only at the beginning of this process.
- Organisations in the Czech Republic usually do not carry out organisational culture analyses. The reasons are that problems they deal with in relation to organisational culture are distinguishable even without any specific analysis of organisational culture and because the costs of its execution are high.
- During the last five years only one third of the monitored organisations in the Czech Republic have implemented a project focusing on changes in organisational culture.

The results of the comparative analysis have confirmed that differences between organisations in the Czech and Slovak Republics are not significant and it can be noted that organisations in both countries realise the importance of organisational culture, however, its development, maintenance and modification are not a common matter yet.

SUMMARY

The article focuses on organisational culture in organisations and underlines the importance of organisational culture as a factor determining the vertical transfer of knowledge in organisations. A suitably preset organisational culture which supports knowledge continuity helps organisations achieve a competitive advantage. Different authors view organisational culture from different angles, however, it can be said that it consists of the basic building stones of the organisation that regulate its running. The aim of the article is therefore to identify the importance of organisational culture and to specify the process of its development and maintenance in organisations. The data has been obtained on the basis of a questionnaire survey in organisations in the Czech Republic. Thanks to co-operation with School of Economics and Management in Public Administration in Bratislava, the contribution also comprises a comparative analysis of results obtained by means of the same survey executed in two countries. The results in both countries are similar and no significant differences have been proven (max. difference up to 7%). The outcomes show that organisational culture analyses (p value Chi² test = 0.012, Cramer's V = 0.241) and projects concerning changes in organisational culture (p value Chi² test = 0.009, Cramer's V = 0.252) influence the perception of this area and its importance by management. The survey has also demonstrated that organisational culture impacts knowledge continuity ensuring (p hodnota Chi² test = 0.009, Cramerovo V = 0.250) and therefore organisations are recommended to anchor the area of vertical transfer of knowledge ensuring into their organisational culture. Making knowledge continuity ensuring part of the organisational culture of the given organisation will help employees approach knowledge continuity positively, which in turn will have obvious benefits (teamwork improvement, improvement of an organisation's performance, etc.). One of the conclusions of the article is that through the targeted and systematic shaping of organisational culture in an organisation, which includes improvement, maintenance and management, it is possible to ensure the required level of its performance in the long run.

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Address

Ing. Hana Urbancová, Ph.D., Katedra řízení, Česká zemědělská univerzita v Praze, Kamýcká 129, 165 21
Praha 6–Suchbát, Česká republika, e-mail: urbancova@pef.czu.cz