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The Organizational Culture in Public and Private Institutions

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Abstract

Every organization, regardless of region, country or sector, has a culture of its own. The organizational culture of a public institution, as opposed to the organizational culture of a private organization, is developing within a broader spiritual matrix. The objective of the case study was to identify the type of the organizational culture within two Romanian institutions, i.e. a public (Calarasi City Hall) and a private (ACTIVE TRADING SRL) one, for a comparative perspective on their organizational culture. Regarding the research method, a questionnaire of 10 questions was applied and the answers were subject to a statistical analysis.

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1. Introduction. The organizational culture in Romanian institutions

Every organization, regardless of region, country or sector, has a culture of its own (Russu, 1989, p. 7). If in terms of the private sector, we can say that there are significant differences in their organizational culture, we cannot make the same statement about the organizational culture of the public sector. Although there are many differences of values, depending on their areas of activity, public organizations also have a set of values common to all organizational cultures. According to specialist Linda Smircich (1989), culture is strong and consistent, and, often, it has an overwhelming influence on an organization and on the employees' behavior (p. 21). Thus, we believe that the organizational culture in public organizations involves all the distinctive spiritual, material, intellectual and emotional features entailed by the employees' ways of thinking and feeling, and by their personality, manifested in the work processes that significantly determine the mission and fundamental objectives of public organizations.

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Although the organizational culture as a concept is very little known in Romanian organizations, in general, and almost unknown in the public sector, in particular, elements of the organizational culture can be found in various public institutions through special investigations. Beyond what Romanian public managers, politicians and civil servants believe about culture in general, and about the organizational culture, in particular, they have a major influence on the management of the public institution, on the leadership style, on the concept of management, on the public servants' behavior, on the attitude towards the organization and on the customer-citizen. The former is always at the latter's service by the social mission of these types of institutions (Hofstede, 1996, pp. 30-31).

The organizational culture of a public institution, as opposed to the organizational culture of a private organization, is developing within a broader spiritual matrix. The culture of the public institution controls all the perceptions, thoughts and feelings of its members. However, the process by which public servants learn how to control the internal and external environment involves all the cognitive and emotional elements. The more we live within a culture, as the culture grows older, the more it will influence our perceptions, thoughts and feelings. The changes in the environment in which these institutions operate significantly and culturally marked the public institutions in Romania. Reality shows that if an organization is constantly changing its public managers and a part of its public servants, such a public institution is at the risk of weakening its organizational culture. This is the first step before triggering a cultural identity vacuum, which, on a medium term, can lead to the gradual loss of cultural identity and can affect the overall balance of the public institution (Deal & Kennedy, 1982, pp. 54-55).

2. Objectives and research methodology of the study

The objective of the case study was to identify the type of the organizational culture within two Romanian institutions, i.e. a public (Calarasi City Hall) and a private (ACTIVE TRADING SRL) one, for a comparative perspective on their organizational culture. The hypothesis of our study was that there are significant differences in the organizational culture of public and private institutions, as the former is developing within a broader spiritual matrix. The changes in the environment in which public institutions operate significantly influence the public institutions in Romania. Moreover, if an organization is constantly changing its public managers and a part of its public servants, its organizational culture weakens.

In terms of the research method, in order to identify the type of the organizational culture within Calarasi City Hall and SC G&D ACTIVE TRADING SRL, we applied a questionnaire composed of 10 closed format questions, in the form of multiple choices, limiting thus the responses to stated alternatives. We chose this type of questionnaire as it is easier and faster for respondents to answer and the answers are easier to compare, code and statistically analyze. The answers provided by the respondents were subject to a statistical analysis. The questionnaire was applied individually, without time limit. However, the average time for completion (20 min) was specified. In order to avoid the peoples' resistance or tendency towards dishonesty in answering some questions for fear of repercussions, the questionnaire was not presented as an instrument of detecting the problems and grievances that they personally have on the system or on a particular person. It was presented as a simple questionnaire in which they have to circle the most appropriate answer that corresponds to the way they behave on the job and to the concrete problems encountered at the workplace.

Calarasi City Hall has 793 positions (2 officials, 19 local councilors, 32 management staff members 761 executive staff members). Calarasi City Hall, as a public institution, monitors the compliance with the legal framework for carrying out community work. Moreover, it ensures the resolution of municipal and household problems, the maintenance of public order and respect for and protection of human rights, ownership, and it has other duties within the competence of the organic Law no. 215/2001 on local government and other special laws on regulatory areas. The lot of subjects consisted of 80 participants, chosen randomly, aged between 25 and 53 years old, married and unmarried, residing in urban areas. In its turn, SC G&D ACTIVE TRADING SRL was founded in 2000 and its main field of activity is represented by the distribution of food products. It has 90 employees, aged between 25 and 45 years, and they all represented the lot of subjects within our research.

3. Investigating the organizational culture in a public institution

Regarding the interpretation of the data provided by the employees at Calarasi City Hall, at the first question ("The members of the organization are expected to give priority to...") 50 respondents chose "a. Meeting the needs and demands of the people situated on a higher level of hierarchy". 15 opted for "b. Fulfilling the duties of their own jobs, complying with the policies and procedures relative to their own position". 10 chose the answer "c. Facing the challenges of an activity, finding better working ways", while 5 agreed with "d. Cooperating with the people who work in solving personal and professional problems".

In what concerns the second question ("People who are doing well in the organization seem to be those that...."), 45 answered "know how to please hierarchically superior people, are capable and willing to use power and diplomacy to promote". 21 chose the answer "comply with the rules, work in the fixed system and strive to do the right thing". 9 opted for the answer "are professionally efficient and competent, with a strong desire to do a good job". 5 answered "build strong relationships with others, are cooperative, sensitive and attentive to the needs of others."

At the third question ("The organization treats people like"), 38 answered that they are treated "like working hands whose time and energy are available to those with higher positions in the hierarchy". 30 believe that they are treated "as employees whose time and energy are purchased through a contract, with rights and obligations of both parties". 10 think that they are treated "as associates or colleagues equally committed to achieving a common goal" while 2 think that they are treated "as family or friends who like to be together, cherish each other and support each other".

At the fourth question ("People are led, directed or influenced by..."), 25 respondents chose "a) Those in positions of authority, who exercise power using rewards and punishments". 20 respondents chose "b) Systems, rules and procedures that describe what to do and what the correct method is". 18 respondents chose "c) Their own will to achieve the organization's objectives", while 17 chose "d) Their own desire to be accepted by others and to be good members of their group".

Regarding the fifth question ("Decision-making processes are characterized by..."), 40 respondents opted for "a) Directives, orders and instructions from top to bottom". 20 respondents agreed with the "b) Adherence to formal channels and trust in the policies and procedures of the decision making process". 10 chose the answer "c) Decisions are taken close to the action by local people", while 10 agreed with "d) Using consensus methods in the decision making process, in order to be accepted and supported".

At the sixth question ("The distribution of tasks or jobs are based on..."), 30 agree with "a) The personal judgments, values and desires of those who hold power". 25 respondents chose "b) The needs and plans of the organization and the rules of the system (seniority, qualification)". 16 opted for "c) The correspondence between position requirements and individual skills and interests", while 9 agreed with "d) The employee's personal requirements and personal development factors".

In what concerns the seventh question ("The employees are expected to be..."), 33 responded with "a) Hardworking, malleable, obedient and loyal to their direct chiefs". 22 respondents answered "b) Responsible and reliable, performing their job duties and responsibilities and avoiding those actions that might surprise or hinder their superiors". 15 agreed with "c) Self-motivated and competent, willing to take the initiative in order to bring the work to completion; willing to support contradictory discussions with their chiefs, if that is necessary to get good results". 10 respondents chose "d) Good team workers, cooperative and willing to offer their support; who get along well with others".

At the eighth question, ("Work motivation is primarily the result of... "), 26 respondents agreed with "a) The hope of reward, fear of punishment or personal loyalty to the chief". 19 chose "b) Acceptance of the rule of working correctly for a fair payment ". 20 opted for "c) A strong desire to succeed, to create and innovate, and the colleagues' pressure to contribute to organizational success", while 15 agreed with "d) People want to help others, to develop and maintain satisfactory labor relations".

At the ninth question ("The relationships between working groups or departments are generally..."), 17 agreed with "a) Competitive, each pursuing their own interests and helping each other only if they foresee such an advantage". 18 opted for "b) Characterized by mutual indifference, helping each other when it comes in handy or

when they are told to". 25 selected "c) Cooperative when they must achieve common goals; people are generally willing to go beyond organizational boundaries in order to do a good thing". 20 respondents chose "d) Friendly, with great sensitivity to the requests from other groups". Regarding the tenth question ("Conflicts between groups and interpersonal conflicts are usually..."), 29 responded by "a) Resolved by the personal intervention from higher levels of authority". 30 chose version "b) Avoided by reference to rules, procedures and formal definitions of authority and responsibility". 10 opted for "c) Solved through discussions designed to obtain the best result in the professional issue", while 11 answered "d) Solved in a manner that maintains good labor relations and minimizes the risk to offend people".

4. Investigating the organizational culture in a private institution

As far as it concerns the interpretation of the data provided by the employees in the private institution, at the first question ("The members of the organization are expected to give priority to...") 15 respondents answered "a) Meeting the needs and demands of the people situated on a higher level of hierarchy". 20 opted for "b) Fulfilling the duties of their own jobs, complying with the policies and procedures relative to their own position". 30 chose the answer "c) Facing the challenges of an activity, finding better working ways", while 25 agreed with "d) Cooperating with the people who work in solving personal and professional problems".

In what concerns the second question ("People who are doing well in the organization seem to be those that...."), 10 answered "a) know how to please hierarchically superior people, are capable and willing to use power and diplomacy to promote". 35 chose the answer "b) comply with the rules, work in the fixed system and strive to do the right thing". 30 opted for the answer "c) are professionally efficient and competent, with a strong desire to do a good job". 15 answered "d) build strong relationships with others, are cooperative, sensitive and attentive to the needs of others."

At the third question ("The organization treats people like"), 38 answered that they are treated "like working hands whose time and energy are available to those with higher positions in the hierarchy". 30 believe that they are treated "as employees whose time and energy are purchased through a contract, with rights and obligations of both parties". 17 think that they are treated "as associates or colleagues equally committed to achieving a common goal" while 5 think that they are treated "as family or friends who like to be together, cherish each other and support each other".

At the fourth question ("People are led, directed or influenced by..."), 40 respondents chose "a) Those in positions of authority, who exercise power using rewards and punishments". 32 respondents chose "b) Systems, rules and procedures that describe what to do and what the correct method is". 6 respondents chose "c) Their own will to achieve the organization's objectives", while 12 chose "d) Their own desire to be accepted by others and to be good members of their group".

Regarding the fifth question ("Decision-making processes are characterized by..."), 30 respondents opted for "a) Directives, orders and instructions from top to bottom". 35 respondents agreed with the "b) Adherence to formal channels and trust in the policies and procedures of the decision making process". 15 chose the answer "c) Decisions are taken close to the action by local people", while 10 agreed with "d) Using consensus methods in the decision making process, in order to be accepted and supported".

At the sixth question ("The distribution of tasks or jobs are based on..."), 10 agree with "a) The personal judgments, values and desires of those who hold power". 40 respondents chose "b) The needs and plans of the organization and the rules of the system (seniority, qualification)". 35 opted for "c) The correspondence between position requirements and individual skills and interests", while 5 agreed with "d) The employee's personal requirements and personal development factors".

In what concerns the seventh question ("The employees are expected to be..."), 35 responded with "a) Hardworking, malleable, obedient and loyal to their direct chiefs". 30 respondents answered "b) Responsible and reliable, performing their job duties and responsibilities and avoiding those actions that might surprise or hinder their superiors". 20 agreed with "c) Self-motivated and competent, willing to take the initiative in order to bring the work to completion; willing to support contradictory discussions with their chiefs, if that is necessary to get good results". 5 respondents chose "d) Good team workers, cooperative and willing to offer their support; who get along well with others".

At the eighth question, ("Work motivation is primarily the result of... "), 40 respondents agreed with "a) The hope of reward, fear of punishment or personal loyalty to the chief". 25 chose "b) Acceptance of the rule of working correctly for a fair payment ". 15 opted for "c) A strong desire to succeed, to create and innovate, and the colleagues' pressure to contribute to organizational success", while 10 agreed with "d) People want to help others, to develop and maintain satisfactory labor relations".

At the ninth question ("The relationships between working groups or departments are generally..."), 40 agreed with "a) Competitive, each pursuing their own interests and helping each other only if they foresee such an advantage". 20 opted for "b) Characterized by mutual indifference, helping each other when it comes in handy or when they are told to". 25 selected "c) Cooperative when they must achieve common goals; people are generally willing to go beyond organizational boundaries in order to do a good thing". 5 respondents chose "d) Friendly, with great sensitivity to the requests from other groups".

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5. Conclusions

Following the analysis of the public institution, i.e. Calarasi City Hall, we noticed that it does not have a tendency towards the satisfaction of the citizens' needs. The staff of this public institution should not forget that their main objective is represented by the satisfaction of citizens' needs, respecting, of course, the legal issues. On the other hand, the centralized data reveal that the company ACTIVE TRADING SRL is an organization oriented towards the compliance with the ethical principles and values, promoting a customer-oriented attitude. It can be stated that SC ACTIVE TRADING SRL falls in the category of positive organizational culture, characterized by the homogeneity of values and by the perspectives that provide positive motivation. In addition, it can be concluded that this private company belongs to the rational - market oriented culture type, where the main performance criterion is represented by efficiency. The organizational culture consists in all the values, beliefs, aspirations, expectations and behaviors, shaped over time, in each organization, and which predominate and directly and indirectly condition its functionality and performance (Goleman, 2000). Given these issues, in order to facilitate the public manager's mission, the organizational culture has a number of components with major implications for human resource performance in public institutions, such as: values, implicit assumptions, stories, symbols, heroes, language, rituals, ceremonies, rules and status. All these help explain why the public manager's role is particularly important in shaping the organizational culture of a public institution. It also explains why he/she should be not only the "designer" of the core value system, but also the main active militant in the constant adaptation of the organizational culture to new values, and in the integration into the wider context of European cultural values (Bennis & Nanus, 2000, pp. 85-86).

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