



# Organizational Culture as a Basis for Efficient Development of Organization

Vasyl Osodlo<sup>1,\*</sup>, Oleh Rybchuk<sup>2</sup>, Viktoriia Krykun<sup>2</sup>

<sup>1</sup>Kyiv National University of Trade and Economics, Ukraine

<sup>2</sup>National Defence University of Ukraine named after Ivan Cherniakhovskyi, Ukraine

*Received 10 August 2020*

*Accepted 2 December 2020*

## ABSTRACT

The article is devoted to the study of non-material assets of an organization development, particularly of organizational culture as a basis of effective development of an organization. The hypothesis lies in the fact that specific features study of organizational culture of a company provides possibility of objective evaluation of a degree of stability of organization, its ability for competition, allows to predict the important directions of management decisions, and a possibility of achievement of planned results. The tendencies concerning the transformations of contemporary management of organizations, which are realized in transferring of management influences from the management of technology of work to technology of management of human potential of a company, are revealed. The change of emphasis is due to objective reasons: due to the processes of globalization, state-of-the-art production technologies, including the latest information technologies, as well as the international labor market, humanization of industrial relations and human resource management technologies are becoming widely available. The article presents the results of an empirical study of certain aspects that determine the organizational culture. Promising directions, that have a significant potential for improving organizational culture, are identified.

**Keywords:** *Sustainable Development, Organizational Culture, Management Models, Non Material Assets*

## Introduction

Success of business in any organization depends on its organizational culture. Knowledge about specifics of this culture allows to orient in communicational situations, optimize relations with partners, to define how to use global approach and in which cases is needed adjustment to culture.

The business culture of the modern world is reflected in 17 aims of sustainable development of UN. To these aims should be oriented all organizations, productions and institutions, which want to act in intercultural environment. Simultaneously UN adopted 10 principles of corporate social responsibility which define “how should organization be” in

\*Corresponding author's E-mail address: [v.osyodlo@gmail.com](mailto:v.osyodlo@gmail.com)

[Doi:10.32038/mbrq.2021.17.02](https://doi.org/10.32038/mbrq.2021.17.02)



order to get the aims. It is important for organizational culture to be founded on these principles. It is not easy to do that, because change in culture requires transformation of basic values, which dominated in organization. That's why it is agreed that perspective direction of scientific research of conditions which allow these changes, or can be adopted for the less costs.

Aims and principles are the outer settings, orienteer, which define the direction what to try to achieve and how to be. But if the organizations take into account them in their routine work, aims and principles have to be localized and represented in the forms of concrete actions, which are to be envisaged by organizations in the process of the planning of development. Organizational culture is based on the systems of management of organizations, and for their development are needed the aims and principles to be adopted to these systems of management. Right here, as practice shows, we face the biggest troubles. This causes necessity of study of essence and main characteristics of organizational culture in conditions of globalization of social-economic and social-cultural processes in the world.

Because the development of organizations is influenced by their historical inheritance and culture, than historical and cultural perspectives can help to understand possibilities and limitations which organizations face. To understand and forecast strategic perspectives of development of business environment it is impossible without understanding how it has been formed in historical perspective.

Productive potential which offers organizations the competitive advantage is usually accumulated in the specific for each company manner. Successful experience is included into culture of organization. That's why it is possible to observe the mere copying of the successful practices of organizations do not show the expected results, because a lot of important details which are included in the ways of work with developed organizational culture are left behind. Moreover, understanding of cultural basis of organization allows to forecast and react to prospective challenges and changes, to form strategy of development of organization.

Often in publications it is possible to find "strategic drift" which is characterized by tendencies of gradual development of organizations on the basis of historical and cultural experience, which is not relevant to the changes of changing environment. Because it can lead to the losing of effectiveness, competitiveness and the end of organization, than this is one more argument in favor of necessity of its research and understanding.

The purpose of the article is to define the contemporary models of management of organizational culture on the basis of its systematic analysis.

### **Literature review**

Defined priority of organizational culture on the route of achieving of high effectiveness of work, a system of management faces an issue of possibilities of realization of management influence on it. For managing of organizational culture it is important to know objective regularities of its functioning and development. Management on the basis of empirical experience and pragmatic approach can be successful on the short period of time. Achieving strategic aims of development of organization is possible only at the condition of organization on scientific basis. For research of the issue of forming of organizational culture we overviewed scientific works and publications.

There is numerous scientific investigations on the issue of organizational culture (Deal & Kennedy, 1982; Peters & Waterman, 1982; Cameron & Quinn, 2011; Wenger & Snyder,

2000; Schein, 1999, 2004). The academics are focused on the complex character of organizational culture; investigate the level of influence of organizational culture on effectiveness of organizations. Great attention is paid to research of influence of organizational culture of national and socio-cultural features (Ouchi & Cuchi 1981; Lane, DiStefano, & Maznevski, 2000; Erez & Earley, 1993; Hampden-Turner & Trompenaars, 2004; Hofstede, 2011). Rising interest to this problematic can be explained by the definitive role of organizational culture in relation to strategy, aims, management models and work of any organization.

Numerous researches are aimed at defining theoretic and practical aspects of organizational culture – to evaluation and management of organizational culture (Parsons, 1971; Deal & Kennedy, 1982; Cameron & Quinn, 2011; Schein, 2004; Johnson, Scholes, & Whittington, 2008; Hofstede, 2011).

The approaches proposed by the scholars for the defining features, criteria and characteristics of organizational cultures, elaborated diagnostic tools help to understand better issues concerning forming and functioning of a complex pattern of organizational behavior. Simultaneously the present pluralism starts discussion about evaluations and forecasts of influence of separate organizational phenomena on the culture in general.

The issue of organizational culture is rather new for the Ukrainian researchers. Dmytrenko (2014) defines the functional potential of corporate culture; Bannikova and Mykhaylyova (2017) investigated the influence of organizational memory on the mechanisms of forming and development of organizational culture; and Osodlo, and Kataev (2015) studied psychology of functioning of organizations as social groups and others.

A wide range of researches of the theory concerning organizational culture and its various representations shows that outlined issue is concentrated on the crossing of scientific theories of management, philosophy, anthropology, psychology and sociology. We can assert that today a wide theoretic-methodologic basis for research of issues of organizational culture was formed, and at the same time the theoretical and empirical analysis of this phenomenon remains topical in contemporary organizations, and research of potential of organizational culture in tasks implementation concerning the improvement of organizations effectiveness.

## **Methodology**

Achieving of the defined aim caused using of the complex of theoretical and empirical methods of research:

- analysis and generalization of scientific publication in the realm of organizational psychology and management free from any temporal limitations for research of evolution of the views on the issue of dependence of effectiveness of organization on organizational culture and models of management;
- method of expert evaluations for collecting of empirical data about influence of features of organizational culture on the effectiveness of activity of organizations;
- questioning and interviewing of the employees of organizations for defining of characteristics of organizational culture;
- methods of mathematical statistics for processing of empirical data: correlation analysis, disperse analysis, comparative analysis.

## Discussion

In order to research organizational culture, it is necessary to determine what it really is. Analyzing the definition of culture in general and organizational culture in particular, it was suggested that in the twentieth and twenty-first centuries the understanding of culture is biased to the epicenter of human existence, which has manifestations in all spheres of human life: scientific and technical, educational, business, artistic, social, intercultural (interstate), moral sphere.

In our research, we use the approach proposed by Bibler (2018) to understand culture. According to this approach culture is considered from different positions, in particular as “a form of simultaneous existence and communication of different (past, present and future) cultures, a form of dialogue and intergeneration of these cultures” at the same time as “a form of self-determination of the individual in the horizon of personality, his life, consciousness, thinking, i.e. a form of free decision making and altering one’s mind about one’s destiny in the recognition of his/her historical and universal responsibility”. The proposed definitions do not provide the definitive answer necessary to understand culture, but they indicate the comprehensive and all-encompassing nature of this phenomenon.

Extrapolating the proposed approaches from the individual to the organization, we determine that organizational culture is also a form of: simultaneous existence and communication of people of different cultures within the goals of the organization and a form of self-determination of the organization in terms of its manifestations, principles, values and basic assumptions; free decision making (when a decision leads to a successful solution of the problem, it is accepted by members of the organization as a standard of behavior and is rooted in an organizational culture) and altering one's mind (when a change in organizational strategies occurs considering challenges of a variable environment).

Noteworthy is the definition proposed by Schein (2004) who believes that “organizational culture is a pattern of collective basic assumptions adopted by the group while solving problems of adaptation to changes in the external environment and internal integration. The effectiveness of such a pattern is sufficient to consider it valuable and to pass it on to the new group members as the correct system to perceive and consider hereinabove problems.

Obviously, the proposed definitions have a number of common features, namely that culture regulates the activities of people united by the organization aimed at effective achievement of common organizational goals. Basic ideas are the property of the organization in its historical development, understandable to members of the organization and are the basis for the performance of new members *a priori*. In essence, we are talking about the spiritual culture of the group, and in the context of management decisions most of all about the culture of leadership (management).

This vision is reinforced by the practice when we observe that the most successful organizations have their own strategy that remains consistent or undergoes insignificant change over relatively long periods of time. This may occur due to the fact that the functional environment is not significantly changed, and organizational approaches through “strategic drift” maintain a balance of new challenges and responses to them. In the case of low variability of the environment, radical changes in the management of the organization do not make sense and create unnecessary stress. However, the reason for sustainability of organization activities may be past success, which leads to a natural reluctance of management to change the performance strategy, especially if it is achieved as a result of special capabilities of the organization or innovation. In this case, the organizational culture

becomes an obstacle to the effectiveness of the organization, subject to significant changes in the functional environment.

Therefore, when talking about organizational culture, we observe a certain conservatism and inertia. This necessitates the correction of organizational culture to prevent a decline in productivity, loss of competitiveness. At the same time, the introduction of new approaches and strategies will create contradictions as there will be inconsistencies with historical experience. All this can lead to further deterioration of the efficiency of the organization, cause problems with the outflow of high-quality managers and the loss of customers who may perceive correctional process as destructive. In fact, the consequences can indeed be unpredictable without a clear understanding by organizational leaders of culture and the context in which processes take place. Therefore, understanding the current situation of the organization and in order to avoid the detrimental effects of strategic drift, it is vital to take seriously the extent to which historical trends in strategy development are preserved in the organization culture.

However, even when managers and leaders of an organization have a high awareness of culture importance, we often see that there is a lack of deeper understanding of how people and organizations function in terms of culture. The problem of managers lies not only in the difficulty of understanding culture, but in its application in achieving organization goals.

For a better understanding of organizational culture there are different views on its structure in modern scientific works. According to the concept of Johnson, Scholes, Whittington (2008), organizational culture is multilayered, where the external sphere is the values that reflect the mission, goals or principles of the organization. However, they may be declarative and do not reflect the essence of the organization. At the next level there are beliefs that are more specific and are expressed in the organization activity priorities as in the definition of partners. Then there goes performance as a daily way of organization functioning, which can be observed in the working procedures, structure of the organization, methods of control, etc. At the epicenter of organizational culture there is the organizational paradigm, which is a set of common assumptions. As noted above, these assumptions represent a collective experience based on successful strategies, providing a basis for common understanding in the organization, but can also be a major challenge, for example, when major strategic changes are required.

Researchers Peters and Waterman, basing on the experience of successful US companies, described management practices and identified a number of beliefs and values of organizational culture that have contributed to the success of companies. Among the important features of organizational culture, researchers included faith in their own actions, communication with consumers, promoting autonomy and entrepreneurship, the perception of employees as the main source of high productivity and efficiency, knowledge of what you manage, not doing what you do not know, simple structure and small number of managers, a combination of flexibility and rigidity (Peters & Waterman, 1982).

The proposed model rather reflects the characteristic features of organizational culture, which positively influences the performance of companies than reveals its structure. This model, in our opinion, is more of an applied nature, and its analysis does not reveal the causal links between the management models – organizational culture – the effectiveness of the company.

In the most general form, the links between performance and organizational culture are revealed in the model developed by sociologist T. Parsons. The model is developed basing

on the specification of certain functions (adaptation, achievement of goals, integration and legitimacy) that any social system, including organization must perform in order to succeed (Parsons, 1971). The proposed idea is that for survival and prosperity, the organization must be able to adapt to changing environmental conditions, achieve its goals, integrate its units into a single unity and be recognized by people and other organizations.

Also according to Gerry Johnson's Concept of Cultural Web (1992), the organizational culture paradigm is based on six components of the cultural web: history, rituals and customs, control systems, organizational structures, power structures, and symbols.

Later, the concept of organizational culture was proposed by E. Schein. He proposed a model of organizational culture whose main idea is that culture can be analyzed on several levels, according to the degree of obviousness of the cultural phenomenon for the observer. E. Shane identified three levels: artifacts, espoused values, basic assumptions (Schein, 1999).

The most superficial level is the level of artifacts, which includes all the phenomena that can be seen, heard and felt when entering a new group with an unfamiliar culture. The main problem with the level of artifacts is the ambiguity of the symbols. It is possible to understand the meaning of any such phenomenon only by simultaneously studying culture at the levels of its values and basic assumptions.

The level of proclaimed values is a reflection of someone's basic understanding of the difference between the existing situation and desirable situation. In the process of creating an organization or asking its members to fulfill a new task, or settle issues or problem, the first step is reflecting someone's individual ideas concerning understanding "right" and "wrong", effective and ineffective. If the manager convinces the employees of the organization to act in accordance with his/her suggestion, and the latter justifies itself, and everyone is convinced of the mission success, in this situation the perceived proposal will undergo cognitive transformation. First, it will become as a group concept or belief, and then it will be a basic assumption. If the proclaimed values correspond to the fundamental assumptions, in this case the verbal expression of these values in the form of principles of work contributes to the consolidation of the organization, as a means of self-identification and expression of the essence of the mission.

The basic assumptions, according to Shane's concept, seem to be so obvious for the members of the organization that the variation of behavior within a given cultural unit is minimized. In fact, if an organization adheres to some basic assumption, the behavior that is based on any other assumptions will be incomprehensible for the members. The basic assumptions do not raise objections or doubts, and therefore it is extremely difficult to change them. In order to learn something new in this area, it is necessary to resurrect, re-examine and perhaps to change some of the most stable elements of our cognitive structure.

It follows from this concept of organizational culture that it can be studied at three levels, but if you do not decipher the pattern of basic assumptions, it is impossible to interpret correctly the artifacts or evaluate the proclaimed values. Thus, the essence of organizational culture can be established only at the level of basic assumptions, which explains the meaning of more superficial manifestations of this culture. As a consequence, the adjustment of organizational culture is also possible only at the level of basic assumptions.

The influence of culture on organizational efficiency is determined primarily by its compliance with the overall strategy of the organization. Osodlo and Kataev (2015) identify three main approaches to solving the problem of incompatibility of strategy and culture in the organization.

The first approach is based on ignoring the culture. Such approach prevents from effective implementation of the chosen strategy. This approach is considered to be ineffective because it causes the internal resistance among performers during its implementation. It provides results only in the short term in extreme conditions in case of the abrupt and unpredictable changes as well as in crisis situations. The second approach involves changing or adjusting the strategy to the existing culture in the organization. This approach is based on recognizing the existing barriers created by the culture to implement the desired strategy and developing alternatives to “bypass” these barriers without making major changes to the strategy itself. Thus, during the transition from a mechanistic to an organic scheme of organization in many manufacturing enterprises for a long time it is not possible to change the organizational culture in the assembly areas. In this case, the problem can be solved with this approach. The last approach is to try to change the culture so that it fits the chosen strategy. This is the most complex approach, which requires a lot of time and significant resources. However, there are situations when it can be a key to achieving long-term success of the organization.

There are various ways to define a set of variables that track the impact of culture on an organization. Usually these variables are the basis for questionnaires and interviews that are used to describe the culture of an organization. The set of variables selected by management for the analysis of the organization can be directly related to the level of organizational interaction: organization-environment; group-group; individual- organization. Thus, for each level (individual, group, organization) both efficiency of their functioning from the point of view of interests of the organization, and satisfaction can be defined. In addition, each of these groups of variables can be considered in the temporal aspect, i.e. it can be focused mainly on the short or long term perspective.

Empirical measurement of factors influencing the organizational culture, which we conducted by the method of expert assessments, showed that the main are: values and behavior of senior managers (average score 81.4 on a 100-point scale), values and behavior of middle managers of an organization (76.7), a scope of the organization (74.8), the sphere of an organization (73.7), the history of an organization (72.5) (see Table 1.).

It is obvious, the factors such as the values and behavior of senior and middle managers are the most important for the formation and functioning of organizational culture. This situation shows a significant potential for efficiency by the organization itself through the establishment in its behavior of those values that correspond to the modern context and ideas of sustainable development. Introduction of changes to organizational culture is possible through change of management models.

Rather high positions are taken by factors of objective nature, such as the scale, sphere of activity, and history of an organization. Obviously, that employees wish to be engaged to influential organizations that take the essential part of the market, have prominent history or persons, whose contribution is remarkable over the world or in national or world culture, science, engineering etc. This tendency indicates a permanent need in widening of the market and spheres of influence, that forms the necessity to stimulate innovations implementation, employees’ creativity development, provision of human potential development.

A bit lower positions are taken by social and psychological climate in organizations’ stuff, national and religious contexts, and influence of economic, legal, political and other factors. We explain the latter by the variability of some phenomena and their relativistic perception by the employees.

*Table 1.* Comparison of perspectives on structure and characteristics of organizational culture

Factors influencing organizational culture	Level of manifestations (%)
Values and behavior of managers of the organization	81,4
Values and behavior of middle managers of the organization	76,7
The scale of the organization	74,8
The scope of the organization's activities	73,7
History of the organization	72,5
Socio-psychological climate	71,6
Regional and national socio-cultural factors	69,4
Economic situation	68,5
Legal situation	62,2
Globalization processes	61,7
Organizational subcultures	58,2
Social profile of employees of the organization	57,3
Political processes	57,1

As far as in the system of factors influencing organizational culture of Ukrainian organizational internal factors prevail, first of all these are behaviour and values of the top management and middle-rank manager. It forms the necessity to focus toward the chief manager as a determinant of the organizational culture.

Research on perception of Managers' image enabled us to define that most often a modern manager in native organization is an organizer and coordinator of employees' activity (43,1%). Less often managers are considered as officers with a broad powers (23,1%), owners of actual experience (11,2%). In less extent managers manifest qualities of innovators (9,3%), professionals (7,6%) and mentor, facilitators (5,7%) (see Table 2).

*Table 2.* Comparison of images of managers in Ukrainian organizations

Dominating images of managers in Ukrainian organizations	Level of manifestations (%)
Owners of actual experience	11,2
Officials with wide spectrum of responsibilities	23,1
Mentors, Facilitators	5,7
Professionals	7,6
Managers, coordinator of workers' activity	43,1
Innovators	9,3

It shall be mentioned that such domination in managers' images indirectly denotes the autocratic type of organizational culture, which combines the stability and inner problems orienting. Such leadership type has a low ability to adapt to changes of labile environment, tend to processes' inertness. However, on the other side of native organizations we see adhocracy with its flexibility and adaptive capacity. Development of this very type of leadership – the one aimed to innovations, professionalism and proficiency, mentorship and facilitating, – has a great potential able to increase organizations efficiency.

Alongside studying of managers images the structure of organizational culture itself arise the interest. To investigate the structure of organizational culture we have used the ideas of business cultures theories (cultural dimensions) by Gert Hofstede. The core of Hofstede's method lies in 6 dimensions defined by him, which to his opinion characterize the national culture concerning tits bearers' attitude to work and social norms influencing the style of



managing and organizations efficiency. These dimensions are: authority distance; individualism – collectivism; masculinity/femininity; striving to avoid uncertainty; duration of orientation; tendency to self-encouragement (Hofstede, 2011).

In our research we were striving to define the differences in organizational cultures of Ukrainian (state and private ownership form) and international organizations in Ukraine basing on the mentioned criteria. Such comparison to our opinion shall indicate the present differences of managerial models as the strategic context, national and regional peculiarities are equal for all.

We have chosen 92 organizations for the research (Ukrainian organizations (36 state, 42 private ones), 14 international organizations in Ukraine) of different scale (small, medium, big) in the following spheres: manufacturing industry, agriculture, transport, trade, communication, banking, insurance business, medicine, science, culture, education, services sector, law enforcement activity, state security, defense, IT sector, state management. Information collection method: online questionnaire. 1620 respondents were interviewed.

In such a way, the first studied aspect was “authority distance”. High and low “authority distance” characterizes attitude towards authorities. Here we mean the grade of inequality in power distribution between people acceptable for the country. The author proves that the organizational culture with the high authority distance usually characterizes by patient attitude to authoritative managing style and respect to ranks. It is peculiar with demonstrative observing of inequality in statuses both in formal and informal relations. Measuring by this scale allowed us to define that for the studied organizations it is rather high, herewith in Ukrainian organizations these factor is higher than in international ones (see. fig. 1). The integrated index of personal distancing from administration in their organization makes 56, 67 and 45 respectively.

The next studied characteristic of organizational culture “individualism-collectivism” indicates like who people in this organization mainly act: like individuals or members of certain group. Herewith individualism is a system of values in which an individual human’s personality dominates; here people have the right to criticize colleagues and managers; career progress only depends on qualities and achievements of this person. In contrary to individualism, collectivism acts as a system of values in which an individual is first of all a member of a group, and after them a personality. With such a cultural characteristics all the workers are oriented to achievement of the collective goal and collective success; drawbacks and losses of an individual affects all the team; career does not depend on personal employee’s qualities much.

The research has shown that the general level of individualism in Ukrainian organizations is rather low (23 for state and 27 for private ones), that denotes the domination of collectivism features. Competition as a relations principle in an organization was mentioned by only 14,5% of respondents that witnesses collectivistic orientations of modern organizational cultures in Ukrainian organizations. However, the opinion of the team as it is hasn’t got much of value (only 17,3% pointed to this feature in their organization), which indirectly tells about making decisions without consideration of employees’ opinion.

In its turn, organizational cultures of international organizations are characterized by individualism domination (average feature index is 3). The grounds of individualism in international companied in Ukraine is made of employees; striving to achieve their goal (43,2%), competition between the organization’s officers (36,7%).

Masculinity/femininity features show the attitude towards setting objectives – aggressive or vague. Masculine organizational cultures are oriented to economy, breakthrough achievements, growth; feminine cultures correspondently are oriented towards social sphere, life quality and development.

Our study allowed to define that the masculinity index in the modern Ukrainian organizations makes 25 for state and 33 for private ones, with the femininity index of 46 and 38 correspondently. The basis of the first one is formed of such vectors as strict schedule of subdivisions' and employees' activity, as well as a firm organizational structure. The third part of national organizations have the strict division of authorities, organizational structures are stable no matter who works within them. The basis of femininity of national organizations is made of construction of organizational structure around the unique personalities and change of authority division depending of the situation. Comparison of international organizations had shown that the differences in this layer are essential. In such a way, international organizations have much higher masculinity index (39 with 25 in state, and 33 in private) and lower femininity level.

Uncertainty avoidance criterion characterizes the attitude to stability, is a measure for how organization's members feel stress while facing new and unforeseen situations. In the simplest terms, this criteria reflects the readiness to changes and innovations. This criterion measuring shown that average index level for Ukrainian state and private organizations is rather high - 66 and 54 respectively. This shows risks non-acceptance, low readiness for innovations implementation. In contrary, for international organizations this index is much lower (see Fig. 1)

One more criterion that gained the name of “Confucian dynamism”, or “duration of orientation”. This index characterizes the general approach to results achievement in the society – bursting but wave-like (inovations) or gradual but persistent (perfection). The research shows that the orientation to fulfillment of the set goals is one of the most bright characteristics of national organizations. The index value of this criterion for Ukrainian state organizations makes 76, for private ones – 72. 85,2% of the interviewed experts hold by this position. International organizations make no exceptions in this tendency: 94,1% of their experts claim the result-orientedness, and the manifestation index is 83.

The next research criterion was the tendency to self-encouragement. In organizational cultures with the high tendency to encouragement, people pay much attention to their happiness and feeling well, use more freedom of choice and level of control over what is going on. In this case, freedom of speech exists not only in a political dimension but at the workplace too – employees' feedback is desired and expected. The research pointed low level of mentioned features manifestation in Ukrainian organizations, both state (14) and private (17) in contrary to international organizations having a significantly higher figure (41). Received data may be explained by the progressive attitude to an employee of managers and top managers of international organizations. At the same time, for the major part of national organizations manager's attitude towards employees is of the resource nature.

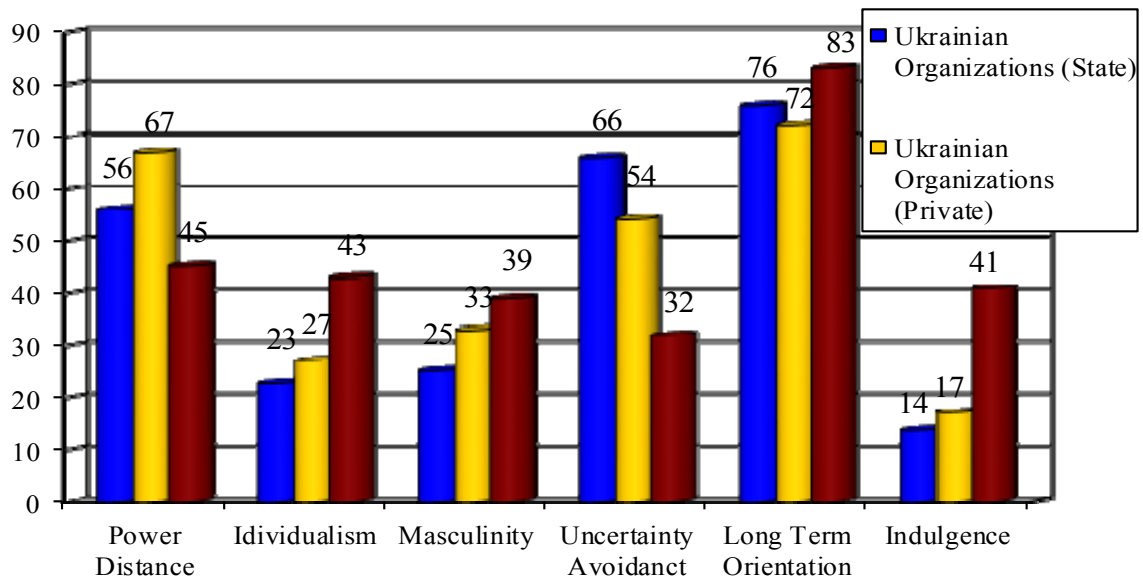


Figure 1. Characteristic of Organizational Culture of Ukrainian Organizations according to Hofstede's classification

It is obvious that within the studied continuums we observe the difference of organizational structure parameters of international organizations comparing to Ukrainian ones. Generally, it may point to the differences in the management models of national and foreign organizations that reveals the progressive directions for improvement of Ukrainian organizations' efficiency. To define potential zones for changes and improvement of organizational culture we have made the comparison of its components significance, defined basing on experts' assessment and manifestation of these phenomena in organizations' activity in Ukraine. The empirical data, which we have received, is given in the table 3 and witnesses a great difference in assessment of such organizational culture features as knowing and realization of organization's mission ( $\Delta=2,14$ ); labour relationships ethics ( $\Delta=1,11$ ); arranging internal and external communications ( $\Delta=1,03$ ) and others point to promising zones of organizational culture development.

Table 3. Comparison of the significance of the components of organizational culture and their real manifestation in organizations of Ukraine

Features of organizational culture	Significance assessment of experts	Significance assessment of worker
External attributes (dress code, logo etc.)	4,12	3,7
Organization's mission	4,27	2,18
Customs, traditions, rituals	3,92	3,11
History, leaders	3,37	2,67
Communications	4,27	3,24
Ethics of labour activity	4,26	3,15
Principles	3,98	3,43
Values	4,56	3,72
Interpersonal relationships	4,31	4,02
Structuring of time and space	4,07	3,67

The study enabled us to outline the gaps between the significance and formedness of one or another elements of organizational culture in Ukrainian organizations.

## Conclusions and future study

The study presented in the article, which was directed to definition of the potential of organization's activity efficiency increase on the basis of modern models of organizational culture management by its systemic analysis brought us to the following conclusions:

1. The activities of modern organizations should be aimed at achieving the most important goals of civilization, to ensure the sustainable development of society and take into account the strategic context in order to increase their own efficiency.
2. The development of organizations is influenced by their historical heritage and the acquired common experience of solving professional problems - organizational culture. Studying of organizational culture can help to understand both the opportunities and limitations faced by organizations. Managing organizational culture is an effective way to achieve organizational goals.
3. The study found that the peculiarities of formation and development of organizational culture. Thus, the main factors influencing the organizational culture here are the values and behavior of organization leaders and middle managers. The conducted analysis indicated that internal factors are significantly greater than external ones.
4. The study had shown that under the influence of internal and external factors different types of organizational cultures are formed. Unlikely to Ukrainian one, organizational structure of international organizations that operate in Ukraine may be characterized as a flexible particularistic polychrome culture with a medium authority distance; the one, which is goal- and task-oriented, uses combinations of collectivism and individualism principles with the advantages of the latter, favors the formation of the high level of organization value for the staff.
5. Comparison of components importance with its manifestations in organizational culture points to potential of its development primarily by workers' understanding of organization's mission and their personal role in its realization, improvement of labour activity ethics and interpersonal communication, establishment of internal and external communications.

The perspective of the further research is to study the role of organizational culture in management of innovative strategies introductions and also communicative mechanisms of organizational culture influence on management processes.

## References

- Bannikova, K., & Mykhaylyova, K. (2017). Organizational Memory as a Mechanism of Formation and Development of Organizational Culture. *IOSR Journal Of Humanities and Social Science (IOSR-JHSS)*. 22(4) Ver. II (April, 2017). 9–15.
- Bibler, V. (2018). *Kultura. Dialohkultur*. Kyiv: DUKh I LITERA, (Oryhinalna robota opublikovana v 1989).
- Cameron, K., & Quinn, R. (2011). *Diagnosing and Changing Organizational Culture: Based on the Competing Values Framework*. Reading, MA: Addison-Wesley Publishing Co.
- Deal, T., & Kennedy, A. (1982). *Corporate Cultures: The Rites and Rituals of Corporate Life*. Reading, MA: Addison-Wesley Publishing Co.
- Dmytrenko, M. (2014). Korporatyvna kultura ta yii funktsionalnyi potentsial. *Hileia: naukovyivisnyk*. Vyp. 88. 244-249.
- Erez, M., & Earley, Ch. (1993). *Culture, self-identity, and work*. Oxford University Press on Demand.
- Hampden-Turner, C., & Trompenaars, F. (2004). *Managing people across cultures*. Chichester: Capstone.
- Hofstede, G. (2011). *Dimensional zing Cultures: The Hofstede Model in Context*. Online Readings in Psychology and Culture, 2(1), 1-26. URL: <http://scholarworks.gvsu.edu/orpc/vol2/iss1/8>. DOI: 10.9707/2307-0919.1014

- Johnson, G. (1992). Managing strategic change—strategy, culture and action. *Long range planning*, 25(1), 28-36.
- Johnson, G., Scholes, K. & Whittington, R. (2008). Exploring Corporate Strategy, eighth edition. *Financial Times Prentice Hall, Harlow*.
- Lane, H. W., DiStefano, J. J., & Maznevski, M. L. (2000). *International Management Behavior, 4th edn*. Cambridge, MA: Blackwell.
- Osodlo, V., Kataev, Ye. (2015). *Psykhologiaorhanizatsii: navch. posib*. Kyiv: NUOU im. Ivana Cherniakhovskoho.
- Ouchi, W. G., & Cuchi, W. G. (1981). *Theory Z: How American business can meet the Japanese challenge* (Vol. 1081). Reading, MA: Addison-Wesley.
- Parsons, T. (1971). *The System of Modern Societies*. Englewood Cliffs, NJ: Prentice-Hall.
- Peters, T. J. & Waterman, R. H. (1982). *In search of excellence: Lessons from America's best run companies*. New York: Harper & Row.
- Schein, E. (1999). *The corporate culture survival guide*. San Francisco, CA: Jossey-Bass.
- Schein, E. (2004). *Organizational Culture and Leadership*-Third edition.
- Wenger, E. C., & Snyder, W. M. (2000). Communities of Practice: The Organizational Frontier. *Harvard Business Review*, 78(1), 139-146.

### **Acknowledgements**

Not applicable.

### **Funding**

Not applicable.

### **Conflict of Interests**

No, there are no conflicting interests.

### **Open Access**

This article is licensed under a Creative Commons Attribution 4.0 International License, which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons License, and indicate if changes were made. You may view a copy of Creative Commons Attribution 4.0 International License here: <http://creativecommons.org/licenses/by/4.0/>