



---

# ORGANIZATIONAL BEHAVIOR AND COMPANY CULTURE

---

Lăzărescu CAIUS<sup>1\*</sup>

[1] “Vasile Goldiș” University of Arad, Faculty of Economic Sciences

E-mail: [caius\\_lazarescu@yahoo.com](mailto:caius_lazarescu@yahoo.com)

## Abstract

*The economic success in any country and in any period is based on its workforce, its level of preparation, organizational form and organizational structure, behavior within the company of the individual and of the groups. The company culture consists of an essential element in its life and even its existence. The personality of the individual consists of two sides: a side which represents the training and a side which represents the education. The organization which is formed of individuals is based also on two sides: the specialization of the individuals must meet the objectives of the company and the culture of company which gives a specific behavior. These aspects can be seen in the companies with historical tradition because they were formed, were developed and resisted in time due to these two goals.*

**Keyword:** economy, society, individual, group, organization.

**JEL Classification:** D23

## I. Introduction

Even of the socio-economical development is a continuous process, its forms are delimited by periods of time. As a product or a service crosses minimum three phases, like this also the economic evolution of a period covers minimum three stages: the beginning, maturation and replacement period. Sometimes the periods have the natural course, sometimes the crossing is sudden, as it happened with our society with the occasion of the

---

\*Corresponding author: Lăzărescu CAIUS E-mail



revolution from December 1989. Even if, officially our contemporary society registered three economical periods: communist, transition and capitalist period, from these only the communist period was clearly defined when the whole social context was under order and implicitly also the economy was under order.

During the communist period, any personal initiative was forbidden, and this thing consolidated a general behavior and culture of performers, followed by a transition period. The transition period was known under the syntagma that “people slept in socialism and awoken in capitalism”. The crossing was sudden from the socialist economy to the capitalist economy, the socialist economy begins to disappear with its economic objectives, and the employees debut in capitalism under the impact of losing the places of work. Generally, the activity in the economic objectives from the transition period until their liquidation, takes place in the conflict environment between the management and employees, there is not a solid retraining program which shall change the old mentality – culture of the company. It is maintained the lack of initiative of the worker, officer or more precisely of the subordinate and the dominant position of the chief, situation well agreed by the political managements of state institutions or enterprises. A political manager who does not know the object of activity of the enterprise or institution which he manages, does not accept advices or recommendations of the subordinates, or the subordinates don’t dare to counter opinion the managers, because there is the risk to be eliminated from the company. The new behavior of the new come managers in some companies usually in those with majority state capital which did not known neither the specific of the object of activity nor the culture of the company lead to the change of the behavior of the employees and of their organizational culture, strongly vitiating the managerial act and the results of the organization.

## **II. Behavior of the individual within the group**

The organizational behavior within the company is studied at level of individual, group and enterprise which involves the knowledge of the role of individual, group and enterprise as unitary whole. The human society could evolve only in organized form, at the beginning the organizations were in social form and then in different forms: economic, religious, cultural etc.

All the forms of social organization after which they were outlined created a specific culture ensuring the perpetuation of the organization form from generation to generation keeping the initial for. The well outlined organizations were individualized so



much that they identify themselves at all times. A people identifies its origin by culture and form of organization, a product is identified after the company and the way it was made. Each individual in a form or another is part of an organization within interacts with other members. Within the organization some members decide and other participate to take decisions or to their fulfillment, thing which involves a certain behavior. No individual can live alone or can achieve himself without being part of an organization, as a member of it he has the possibility to achieve the personal objectives and those of the organization. The existence of organizations determined the development of specialty studies by which could be defined and enunciated theories about these.

In order to define correctly an organization must consider a few of its essential conditions:

- *an association of people* the organization consists of people which associate for the achievement of a certain joint purpose;

- *explicit purpose or purposes* – the organization is constituted in order to obtain a purpose or purposes on the basis of which reunited members and thus the purpose or purposes become joint man-organization;

- *organizational structure* – the structure of the organization must allow it a perfect delimitation from the external environment, and internally a perfect delimitation of the internal compartments in order to ensure a perfect functioning.

Although by definition the purpose of an organization is common it is not assumed by all its members, thing which leads to differences, which occur to the personal and professional interests:

- *personal interests* – at the large organizations with great experience in the field, the development strategies on long term have assumptions different, the new employed accept and assume them because they are of perspective, the employees with great experience who are going to end their activity don't assume them, they prefer them on short term with immediate gains, for them those on long term are considered „of sacrifice”.

- *professional interests* – the achievement of a new product in a large enterprise with many departments leads to divergent discussions in the sense that the design part considers the *technical part* respectively the performance of the new product and the marketing and promotion part considers the *esthetic part* of the product.

The study of the organization is an essential element for this because there is not a unique way of management of people in an organization which is valid in a context at a



certain moment cannot be valid in another moment and another context. Finding a good solution for a situation can be efficient only if its application is achieved in a favorable context.

The organizations are social entities which have the mission of achievement of some objectives by a collective effort within a legal framework. The organizations regardless of their form and structure have as common goal the performance which at the lucrative organizations expresses ordinarily by *profit* and at the nonprofit organizations by the level of fulfillment of the objectives.

The organizations regardless of their form and object of activity have a well defined legal form and an organizational structure, which separates it from the external environment. The organizational behavior establishes the position of its members according to hierarchy, duties and responsibilities of the members as well as the hierarchy levels of authority. The approach of the organizations is achieved from *managerial* and *behavior* point of view.

The organizational behavior – behavior of individual – within the organization must be analyzed in three aspects:

- at individual level;
- at group level;
- at organization level.

#### **Behavior of individual within the group and organization**

The individuals being different from birth, followed by differences which occur during life by education, training, way of living etc. The approach of the individual is achieved on the basis of his characteristics. The main characteristics which define the personality of the individual are:

- Perception;
- Intelligence
- Abilities;
- Skills;
- Values;
- Norms;
- Beliefs

-*The perception* is a mental process by which are received and interpreted the stimuli from the external environment and the way of reaction (answer) of the individuals to them.



-*The intelligence* is the quality of the man to think constructively, a long time it was considered that this special quality is transmitted genetic, the specialty studies proved that it has such a value but it is influenced also by environment. The completion of the specialty studies established that the genetic factor and the environmental factor have an influence of 50%.

- *Abilities* -represent a special quality which ensure obtaining of great performances in the fulfillment of a mental duty.

The whole ability consists of more abilities:

- *Skills* -represent the special quality of the individual which ensures the obtaining of great performances in the fulfillment of a physical duty.

- *The beliefs* comprise the representation of the environment in the mental of individuals together with the cause effect relationship, if the environment suffers modifications then „the belief” suffers modification.

- *The norms* represent the social pressures exercised over the individual in certain moments.

- *Values*– represent the assembly of values of an individual which form the system of values of the individual

### III. Association of individuals

The individuals associate in two forms: group or team in order to manifest or act together, both forms of association are achieved within an organization.

#### **The group within an organization**

In our study the group refers to the group of people, DEX defines the *Social group*=collectivity of individuals between are determined social relationships, submit to the same behavior rules and follow a common goal<sup>1</sup>. The groups are formed in order to obtain a common goal, in which all the members of the group animated by this goal will action solidary, if the group acts within an organization where more groups are established, then it associates with them and act together.

In the specialty literature are known and studies two types of association of the individuals in group and in team. The association in groups is a form specific to the animal kingdom both animals and especially the man felt the need of association in group in order to overcome the external challenges and threats. The association at animals had as

---

<sup>1</sup> <http://dexonline.ro/definitie/grup>



result the perpetuation of species within the animal kingdom, and those which disappeared are due to the action of nature or man.

About groups it is talked even from antiquity:

- *Hesiod* emphasizes the neighbor relationships between people;
- *Aristotle* (384 – 322) highlights the structure of the groups referring to the role of the kinship grade in the social and human relationships;
- *Lucretius* (99 – 55) highlights the relationships between people from the group perspective.

**Emile Durkheim** (1858 – 1917) French philosopher and sociologist, the founder of the French school of sociology in his work entitled "Division of social work", studied the processes and phenomena which occur at the level of small groups. In her thesis she sustains that the formation of groups is determined by "organic solidarity" specific for human activity. His studies shows that once with the formation of groups also appear relationships between individuals who must be institutionalized in order to prevent the eventual conflicts which may occur within the group. For the institutionalization of the relationships E. Durkheim refers to their classification such as: informal relationships – based on organic solidarity, formal relationships – based on the rules of social organization. In another concept he sustains the idea that in the organization of groups an essential role represents the division of labor, especially the distribution of duties.

**Georg Simmel** (1858 - 1918) philosopher and sociologist. He brought important contributions to the culture philosophy, he was the founder of formal sociology. He analyzed the process of constituting the groups depending on certain conditions and criteria and reached to the conclusion that „people cannot exist only in group”. Also he highlighted the differences from a small group and a large group, between the relationship between dyad (Group of two sizes connected with the occasion of the same operation) and triad (Group from three elements with similar properties which comprises a unit).

**Charles Horton Cooley** (1864 – May) Contributes decisively to the development of the scientific study of the group, being the founder of the theory of the sole group. In his theory over the group he was able to classify the groups in: small (or primary) and secondary and to make a clear delimitation between the small groups called primary groups and the other groups designated to be secondary groups.

The man as rational human being evolves between two structural dimensions *individuality* and *sociability*, in a normal evolution the man must keep the balance between the two dimensions, if there is not this balance the evolution oscillates between





the two dimensions appearing the domination of one or another. But the need of association of man proved even from the oldest times, being achieved from the following reasons: in search of an *identity* marked by the approach of some different psychosocial characters has the communality and difference between individuals, material or moral advantages, concrete adherence to an ideal. By adherence to a group man renounces partially to his individuality, looks for the recognition within the group and expects support from his part.

#### **Notion of social group**

The sociology is the science dealing with the study of group, the theory about groups developed very much in the American schools, the American society was and is permanently concerned with democracy, this thing aims mainly to ensuring the individual freedoms. The democracy is a process which cannot be made by a single individual but only of the relationships of the individual with others.

The association of individuals can be made in group or in team.

The group is defined by sociology in two forms one *generic* is a very wide form of forming the group or groups and defines all the categories of human groups and a *specific* form of human groups.

**The group** – is an association of people between are created relationships and a commune purpose, it functions after own rules which ensure the functioning of the group in assembly and of his members within the groups for the achievement of the proposed purpose and in the formation of a common identity. There are known two categories of groups: informal (unofficial) and formal group (official).

-*The informal* (unofficial) *group* is formed spontaneously on the basis of friendships or other purposes for the satisfaction of some social needs, this type of group does not have a leader or can have also a formal leader revealed from his popularity.

- *The formal group* is the official group which is conducted by a leader and has a precise mission in the fulfillment of some organizational objectives. It has a working purpose and can be organized under the form of: team, commission, committee etc, the members of the group are chosen for competencies and skills.

„Yves Saint-Arnaud (2001, p. 269) considers that the passing from individual to group can be facilitated by the existence of a common target with value of objective.

#### **The team within the association**

The team is an association form superior to the group and consists of the association of two or more persons, the members of the team must have complementary



qualities which they shall use in the achievement of the receives or assumed duties, examples of teams: football teams, constructors teams, researchers teams. The main wish in the management of the organization is the formation of teams by transforming the groups. There are differences between group and team due to the behavior particularities of the members.

### **The concept of organization**

The organization was defined by Dex as: Association of people with common conceptions or concerns, united according to a regulation or a statute, for the submission of an organized activity.

The mission of the organization is oriented on rules, orders and regulations and presents the following characteristics: clearly defined structure; well established rules; the structure defines the positions, roles and responsibilities of the members; is created deliberately; its structure is based on a well defined hierarchy; clearly defined purpose; less flexible; extrinsic motivation.

*Informal organization* -is the type of ad-hoc organization established from groups of people by the existence of a spontaneous relationship undefined clearly and with great flexibility. The organization has a weak defined structure and has the following characteristics:

- the structure does not present a well defined hierarchy;
- spontaneous relationships;
- great flexibility created by the relationships between his members;
- intrinsic motivation;

### **Basic organizational structures**

*Taylor* In his work "Principles of Scientific Management" treats the technical details of the labor organization, he sustains the theory that the inefficiency of the organization is due to the impossibility of the management of the organization to obtain the compliance of the employees.

*Weber* -sustains the theory that the organization has precise purposes and delimitations, fix rules where are eliminated the ambiguities. In his view within the organization the individuals interact on the basis of order, hierarchy of authority and of labor division established on specialization.





*Follet-* States the explicit theory of communication sustaining the participation of workers along with the managers in committees “in order to receive one from another the special knowledge and experience which each one has”.

*Barnard-* Sustains the theory based on individual in which he must communicate, to be motivated and to take decisions considering as being the only way by which the organization achieves its goal.

*Blau and Scott* - define the organization as being a collectivity with relatively fix limits with a managerial hierarchy with communication and stimulation system which follows certain objectives, which has certain objectives.

*Etzioni* – in his work “Modern Organizations” sustains the idea that *the organization* is a human or social group constructed for the achievement of a specific purpose.” The modern civilization depends to a great extent on organizations, as the most rational and efficient form of known social grouping. Coordinating a great number of human actions, the organization creates a strong social instrument. It combines its staff and its resources, reuniting leaders, experts, workers, machines and raw materials. At the same time it evaluates continuously how good is the performance and tries to readjust in order to reach its goals”.

#### **Formation of organizational cultures**

The cultures in organizations can appear spontaneously by rallying to the members of the organization to an idea or by their impulse to an idea. Regardless of how the cultures appear and evolve if they shall be fixed, rigid or inadaptable they disappear. The malleable and adaptable organizational cultures are the cultures which resist, develop.

#### **The importance of organizational culture**

*Determinant element in the change of mentality*

*Strategic element in the organization management*

*Important element of administration for management:*

- employment of motivated and enthusiast staff;

- an appropriate culture allows avoiding the organizational, administration and control problems etc.

*Landmark for each member*

- the new comers in an organization with a strong culture must know what the organization expects from them;



- the strong culture facilitates the social integration and facilitates the assimilation of new comers

- the culture created a sense and a way of identification for each employee;

- allows the development of the collective values: solidarity, pluralism, competition are not qualities but are behaviors „authorized” by cultures.

The organizational behavior and the culture of the company are two elements which ensure the homogenous existence and functioning of the group or groups for the achievement of the company's goals. This thing was confirmed by the companies with historical traditions for example Romanian railways, Post, etc. in which the homogeneity and solidarity of the group helped to the exceeding of the hard moments. The solidarity can support by additional contributions in order to exceed the difficult moments or can be claiming by union's actions. Inevitably all the workers enter into a culture that they must take into account „ no individual can live individually but only as associated in groups: social, religious, organizational etc.

#### **IV. Case study**

On the individuals desirable or undesirable within the organization

- for the employee

The desirable behavior is the type of behavior which brings only benefits both to the individual as to the working group from which the individual is part are considered desirable criteria: frequency, duration and consequences. For the working group the frequency at work must be between 75 and 90 % annual is desired to be over 90%, the duration refers to the unjustified absences of maximum 3-4 /year it is recommended that none of the consequences being good in the situation of the frequency 75-90 % and very well over 90%, are good at 3-4 unjustified absences / year and very well between 1-3 unjustified absences /year. The employee has a desirable behavior only if he knows to collaborate with the colleagues, and chiefs, does not hide the difficult problems and involves in the settlement of all the problems, to show loyalty.

- the undesirable employee is the one who does not meet the above criteria and in addition causes and maintains the conflict situations

- for the desirable manager referring to the working time and the solving the problems of the same criteria, the strategy part, to use only loyal actions in order to obtain audience, in order to beat the competition.



- the undesirable manager is the one who does not meet the criteria of the definition of the desirable state, who uses unfair methods in order to stand out, with a cold, distant, conflicting behavior and in which the personal interest prevails. A peculiar behavior is that specific to the political managers which are succeeding to the management once with the parties and from political considerations or from rivalries their declarations begin with „heavy inheritance” . When such a manager states that he takes over a company almost in bankruptcy, insolvency but that he will get it out of this state of huge prejudice by the fact that the banks don't credit him any longer, the collaborators avoid him, such a statement of the manager from the top of pyramid can be fatal for the organization.

## References

### Books

1. Olimpia State (2004) – *Organizational Culture and management* , ASE Publishing House;
2. Pierrw Fayard (2006) – *Samurai's awakening –Japanese culture and strategy in the society of knowledge*. Practic Publishing House;
3. Preda Marin (2006) – *Organizational behavior – Theories, exercises and case studies*–Polirom Publishing House;
4. Ritt Adriana (2001) –*Managerial Communication in Agriculture*, Eurobit Publishing House ;
5. Ștefan Buzărnescu (2000) - *Sociology of technological civilization*, Polirom Publishing House;;
6. Șuteu Sorin – *Organizational Behavior* – Course support;
7. Traian Vedinaș (2001) – *Introduction in rural sociology* – Polirom Publishing House;
8. Vlăsceanu Mihaela (2003) – *Organizations and organizational behavior*, Polirom Publishing House;

### Internet source

9. <http://ro.scribd.com/doc/11377333/Comportament-Organizational-Curs-stanciu>
10. <http://ro.wikipedia.org/wiki/>
11. <http://www.conspecte.com/Management/puterea-autoritata-stilurile-de-conducere.html>
12. <http://www.management.ase.ro/reveconomia/2007-2/8.pdf>