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Chapter 2

The Theoretical Aspect of Management Culture as Part of Organizational Culture

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Additional information is available at the end of the chapter

http://dx.doi.org/10.5772/intechopen.70624

Abstract

This chapter introduces the theoretical concept of the management culture. The management culture is discussed as an integral element of organizational culture, which ensures a qualitative functionality of the processes within the organization and enables the changes in the organizational culture and the competitive advantage. Management culture is not identical to organizational culture, as it covers certain parts of formal and informal organizational culture. Management, educational, information, communication, standardization and regulatory, and other functions of the management culture and the categories comprising this phenomenon of the organization are distinguished.

Keywords: management culture, organizational culture, formal culture, informal culture, organization management, managing personnel

1. Introduction

Relevance of the research. Certain personal, value, business, and professional competencies are characteristic of management staff of the organization. They allow speaking about a certain culture, characteristic of the management staff, and its activities. On the one hand, according to Aycan et al. [1], the model of culture fit postulates that the sociocultural environment affects the internal work culture, which in turn influences human resource management practices; on the other hand, both the sociocultural environment and certain management traditions foster the interest in which determinants of management distinguish one organizations from the other, in order to highlight general instrumental criteria. Although the term management culture is not entirely new and is used in various discourses [2, 3], and some of the elements of this phenomenon are usually discussed in the context of organizational
culture, one can miss a more precise definition of the phenomenon. When speaking about the organizational culture, its formal and non-formal elements are being identified usually. The analysis of scientific literature that focuses on the topics of managerial staff and the policy they implement highlights both non-formal [4–8] and formal [9–11] aspects. But does this mean that the management culture can be identified only as one of expressions of organizational culture characteristic of the managerial staff, or as quite an independent, instrumental factor? It is clear that the management culture is an integral part of the organizational culture. However, it can also be examined as a specific phenomenon, enabling to form a distinctive organizational policy, which distinguishes some organizations from others and, when purposefully developed, can bring more efficiency to the organization. However, at primary stages of the process of formation and development of the management culture, first of all, it is necessary to define the components or, in other words, the structural elements of this content. Finally, what does this analysis give to the organization and to understanding of its culture? So the problem question is raised: what is the essence of the management culture and how to distinguish it from the non-formal and formal part of the organizational culture?

**Object of the research:** management culture as a part of organizational culture.

**Purpose of the research:** to analyze the theoretical aspects of management culture as a part of organizational culture.

**Objectives of the research:**
1. to discuss the concept of the management culture in the context of organizational culture;
2. to analyze the management culture as a part of the non-formal organizational culture; and
3. to analyze the management culture as a part of the formal organizational culture.

**Methods of the research:** This chapter is prepared by using the methods of analysis and synthesis of academic literature. The analysis of academic sources and the citation follows the chronology according to the publishing year of the source. The methods of comparison and analogy are also used, and the authors’ insights and generalizations are provided.

### 2. Management culture

According to Benedict [12], culture is the ideas and standards that people share. Organizational culture is defined as a model of shared, not expressed in words, assumptions recognized in the group only after it solves the problem of external adaptation and internal integration, and it is quite reasonably grounded; therefore, it is suitable to train new members as an appropriate way to perceive, reflect, and feel those problems [13]. Lithuanian scientists analyzing organizational culture often emphasize the organization’s identity, because it is the organizational culture that distinguishes organizations from others [7, 14, 15] and the instrumental role in achieving the objectives and changes [14, 16–18]. The latter aspect probably receives the greatest attention paid to the analysis of the conditions of changes in the organizations.

In most cases, discussion about organizational culture is based on visible and invisible organizational culture levels indicated by French and Bel [19]. It is popular to describe organizational
culture by using the iceberg metaphor or three-tier model, vividly illustrating the composition of the organization’s culture—the most visible although difficult to decode part (“top of the iceberg”).

Many studies employ Schein’s [13, 20, 21] system aiming to determine the dimension of organizational culture in companies of different countries. Schein believes that for preparing organizational culture changes, one of the conditions is the identification of artifacts and processes. This is the first, most visible level that includes the organization’s physical environment, technology and products, styles, myths and stories about the organization, the declared values, rituals, ceremonies, etc. The authors focusing on changes in organizations usually pay attention to the visible aspects.

According to Jucevičius [22], the objective characteristics of organizational culture are everything that exists independently of its members’ thoughts. These are all its physical attributes, ranging from buildings to ceremonies and rituals. Subjective aspects are approaches, a way of thinking, and assumptions. The qualitative aspect is the way people interpret, define, and perceive this culture. The quantitative aspects, on the contrary, express what people say about organizational culture. The assessment of the same company organizational culture by two people can vary a lot since, as noted by Mockaitis [16], organizational culture is not an innate but acquired set of values common to a group of people, influencing the group’s lifestyle, their perceptions (beliefs, attitudes), and behavior, and separating one group of people against another.

According to Paulauskaite [23], the concept of organizational culture shows that human behavior in organizations and their decisions are mostly influenced by the standard fundamental beliefs of the members. Even under changing the organization’s environment, its members are likely to make such decisions, which suited in the past, i.e., out of habit. Members of the organization do not consider those beliefs because they are generally accepted and remembered as the undisputed truth. The aim of the organizational culture is to install social reality perception favorable for management of the organization into schemes interpreted by the employees; behavior characteristic to the company and its employees, mind-set, and external shape (for example, organizational structure, symbols, and so on) were formed by employees communicating with each other and with the outside environment, and were expressed by attitudes, beliefs, and values characteristic only to the employees of that company [15].

Customs, rituals, procedures, ceremonies, common history, and many other things unite all members of the organization [24]. According to the author, well-established values and norms that commit the employed staff to behave and act according to certain rules integrate into the community. A specific relationship atmosphere is formed in each organization. These are not just legal and administrative obligations how to handle internal interactions and relations with the external environment. In most cases, scientists, analyzing the communication and dissemination of organizational culture, examine the behavior, language, and other informal aspects that need to be monitored, understood, and interpreted. However, at least parts of the elements are (should be) registered in certain public or internal documents of the organization [25].

Management culture is the concept rarely used in scientific literature (e.g., in comparison with the cultural management, organizational culture, which cannot be regarded as equivalent neither in content nor in meaning). The increasing globalization has led to a large number
of acquisitions and mergers. This means changes within the organization and the problems with the implementation process in a new organization. The integration of the participating companies is a very important thing for knowing and identifying the characteristics of different management cultures. Management culture is the way by which the company is managed and influenced by the surrounding culture. Management culture is something that has often been in development since its origin and penetrates into the spirit of the company [26, 27]. However, the author looked into the problem with respect to problematic aspects of companies operating in other cultures. The term of management culture in scientific debate was further developed by Zakarevičius [7], but over the last decade, the concept remains in the development stage. This is a specific area in managing organizations, which requires further discussion. In the studies of organizations and their cultures, the management culture has not always been given the attention it deserves as one of the conditions for changes. Management culture is usually studied by analyzing the issues of staff work organization, optimization of managerial processes, the formation of working conditions, organizational design, etc. [7, 28, 29]. Lundin and Söderholm [26, 27] stated that the theories focused on the management culture model with five dimensions: relationship, orientation, decision making, motivation, and loyalty. However, approaches by different authors do not oppose management culture perception but complement each other. It is significant that the management culture not only guarantees the functionality of the processes in the organization, but also enables cultural innovation. General management culture improves organization, simplifies and reduces the cost of management processes, determines the accuracy and consistency, and increases work discipline. Management culture is a key factor in the overall organizational culture, influencing directly the results of the organization’s performance [30]. In addition, management culture, as the way of realization of vital human forces, determines the striving of management staff objectives in managerial activities, encourages creativity, expansion, and deepening of the knowledge gained and acquisition of new knowledge by communicating, and searches for new ways and methods in management activities. Management culture stimulates the activity, initiative, and managerial personnel responsibility for their actions and their consequences. This enables the achievement of the set aims in a shorter period of time by planned or better economic effectiveness [31]. Management culture components are often dealt with in the context of organizational culture, identified by one term organizational culture. In the works of Zakarevičius [7, 28], Melnikas [32], and Vveinhardt [33], when analyzing the problems of culture, two concepts are distinguished: “organization culture” and “organizational culture,” because their contents are different. This distinction is important not only in the theoretical but also in the methodological sense. Often the concepts “organization culture” and “organizational culture” are used to describe the same characteristics of the organization—the whole of its members, the provisions, beliefs, and norms, so it is necessary to clarify the essence and the meaning of the two concepts, and use them for defining different parameters. This distinction allows knowing the discussed objects deeper and understanding their role within the organization, especially when planning qualitative changes. Zakarevičius [7] recommends to use the term “organization culture” when examining the whole of attitudes and beliefs of the organization as a group of people. The author based his idea on the fact that the organization is one of the components of a socioeconomic system, and if defining the concepts of other components, we use the terms “the nation's culture” and “the culture
of humanity,” and by analogy, we use “the organization’s (a specific group of people) culture.” In other words, a wide context of organization is included. However, in this context a management element that shapes the conditions for the expression of organization’s culture and initiates certain changes, both positive and negative, can be (and must be) distinguished. Organizational culture is an artificial, deliberately developed culture. The term “organizational culture,” according to Zakarevičius [7], is acceptable when describing the management processes and management performance culture. Management culture should be the basis for all organization culture. Understanding of management staff activities, management staff relations, value system that they are using, technical maintenance of material management processes, and the policy of formation of staff working conditions shows the general management culture [30]. The function of management culture is twofold: formed and forming. In addition, management culture performs the following functions: training, information, communication, and standard control. The educational function is realized in order to develop modern, qualified, and spiritually rich management staff. This is the key management culture function, which determines the implementation of all other functions. The information function is used in managerial activities, and it is reflected in the management culture from generation to generation. This function enables the transfer of the accumulated management experience vertically, from generation to generation, and horizontally, from one management staff to another during the planned period. With the help of management culture information function, the exchange of knowledge, skills, and abilities in the field of organizational management is carried out [31]. The managers are responsible for the coordination of organizational resources and ensuring that the organization’s objectives are successfully achieved. The managers use their skills in order to steer the organization’s response to pressures from both inside and outside of the organization [34].

Due to the fact that the informational function of culture in the managerial process appears where people come together, it has close links with another, communicative function. The standardization, the regulatory function of management culture, is implemented by using heterogeneous forms; the assimilation and compliance of which in the managerial process lead to immediate adaptation of the managerial process participants to the prevailing circumstances and operational success. Management culture standardization is expressed in a number of requirements, which are assigned for management personnel that organizes the work process. Requirements of moral character of management activity in practice are documented in recommendations, rules, and business conduct codes. Practical culture normalization requirements are natural regulators of the management staff performance [31]. The concept of management culture is revealed by the following elements: management staff culture, managerial processes organization culture, culture of management working conditions, and the documentation system culture [7, 28]. So, to summarize briefly, the management culture concept highlights and identifies the phenomenon and helps to avoid confusion.

For a number of years, the Lithuanian organizations’ management culture has been analyzed in the context of the organizational culture, but in order to increase the efficiency of organizational activities and interaction with the clients, customers, and other social environment, it is necessary to give more attention to the content of management culture. In addition, the significance and need for the latest knowledge in management are increasing, as well as in...
knowledge sharing, approach to innovation and the use of information technology for organizing managerial processes [35–39], transformations, as processes of positive changes [20, 21, 40–44], creative approach to management [7, 38], making physical and psychological welfare of the staff [7, 45, 46], and the values that are meaningful. The values system that the managerial staff is guided by is formed, on the one hand, in the context of the basic common values of the organization; on the other hand, it determines their composition and essence. All values of the organization are selected and evaluated by the managerial personnel, and only after such selection, they instill them, making sure that they overwhelm the employees’ consciousness [30]. In addition, according to Melnikas [32], in order to get to know better the processes ongoing in the modern world in the area of management and management culture changes, it is appropriate to evaluate the circumstances influencing the contemporary management, which reflects the effects of historically formed lifestyle and stereotypes occurring in management activities. Although Hofstede [47] wrote about “the collective programming of the mind which distinguishes the members of one group of people from another,” as the meaning of the term “organizational culture,” which is an interesting way of understanding the concept, and although at that time he “discovered” four areas of work associated with differences in values (power distance; uncertainty avoidance; individualism/collectivism; masculinity/femininity), but in 1992, Hofstede [48] used the term “practices” while speaking about social and cultural phenomena, and in Hofstede’s view, it is important enough to move the values kept deeply by organization's members into the very center of organizational culture. In reality, in terms of some of the members of the organization, these values can be considered to be so deep that it will be impossible to change them at all [49].

Culture is not static, but it is dynamic and constantly developing in nature; in today’s modern world with modern travel and communication technologies, cultural identity cannot exist in isolation, but it is constantly changing in response to the external influences of macro-environment and property [50]. Management culture reflects the development level of the organization’s managerial system. It is the level on which it depends in terms how the innovation will be implemented in the management of the organization and whether it will be implemented at all. Compliance of ethical and legal acts shows the level of personal culture, awareness, and organic self-perception in the social system. Hoskins [51] believes that in general the company code of ethics should be the beginning of the evaluation of the company's values. Recent studies have shown strong evidence that companies with a code of ethics work better (financially) than those that do not have it. Ethical codes are found in most large companies, but, as the author notes, the presence of the code of ethics is getting worse as the company’s size is increasing.

Management culture is more accepted by the organization’s staff and clients whose assessments related to the organization distinguish one organization from the other most. According to Jancevskij [52], management culture is one of the components of the competitive advantage. The acquisition of recent management, marketing and innovation knowledge, and skills leads to business success factors. This is manifested in terms of product quality, service, the staff, partners, business risk, organization of activities in accordance with the requirements of the standards, in terms of the initiative, creativity, and the successes and failures.

As can be seen from the information presented in Table 1, the level of management staff culture is determined by analyzing management science knowledge, taking into account the
<table>
<thead>
<tr>
<th>Categories</th>
<th>Subcategories</th>
<th>Authors who did research according to individual subcategories</th>
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<tbody>
<tr>
<td>Management culture as a formal and informal part of organizational culture</td>
<td>Management staff culture includes such constituents as management staff general culture, management science knowledge, managers' personal and professional characteristics, and the ability to manage Research of personal and professional conduct of Myers-Briggs-type management practices indicator correlates in two cultures [5]; study of commonalities and differences in middle-level managers' managerial work [6]; organizational culture perception effect on the relationship between participation in budget deliberations and management performance results [53]; study of the employees' attitude to culture change in the long-term managerial supervision [54]; study of management culture, workplace culture and current educational programs in organizational learning [55]; study of leadership style and institutional control [56]; study of staff, creating an organizational culture [57]; study of the search for a superb manager in terms of work and personal life balance and manager's job [8], etc.</td>
<td></td>
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<tr>
<td>Managerial processes organization culture</td>
<td>The organizational culture of managerial processes consists of rational organization of management work, optimal regulation of processes modern computerization of managerial processes, dealing with visitors, conducting meetings, telephone conversations, and other forms of culture reflecting factors The significance of work culture in developing countries in operation management [7, 58, 59].</td>
<td></td>
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<tr>
<td>Management working conditions' culture</td>
<td>Culture of management working conditions consists of work environment (including such criteria as workplace interior, lighting quality, temperature, cleanliness), workplace organization, work and rest regime, relaxation opportunities, work security, socio-psychological microclimate Study of working conditions and use of working time [60]; working conditions and early retirement: study of retirement from work behavioral perspective [61]; study of innovation, working conditions, and labor relations in the local production system [62]; study of duality theory and changes of organization form in management [7, 63].</td>
<td></td>
</tr>
<tr>
<td>Documentation system culture</td>
<td>Documentation system culture includes the following parts: culture of official registration of documents, document search and access system, use of modern information technology, and the storage system of archival documents Study of information organization and management with respect to personal attitude [7, 64].</td>
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staff personal and professional characteristics and identifying the leadership style of organization managers’ leadership style and their ability to manage. In order to determine the expression of organization culture of managerial processes, it is necessary to diagnose how reasonable managerial work organization is, how optimal managerial processes regulation is, if computerization of managerial processes is modern enough, etc. The level of management working conditions culture is determined by assessing the working environment, the level of workplace organization, work and rest regime in the organization, presence/absence of opportunities for employees’ relaxation, and issues of work security and sociopsychological climate. The level of documentation system culture is determined by analyzing the culture of official registration of documents, exploring the optimality of document search and access, rational use of modern information technology, and rationality of the system of document storage in the archives.

When analyzing what unit of measurement is proposed to measure organizational culture, several positions were revealed: Robbins and Coulter [97] suggest that organizational culture components should be measured by degrees (Figure 1)—low-high; Hall [98] proposes to measure by high and low context and contexts contradictory to each other, the latter has a similarity with Trompenaars’ [50, 99] “universalism” (low context) and “particularism” (high context). Trompenaars and Hampden-Turner [50] provide such classification of cultural dimensions: universalism versus particularism; individualism and communitarism (communal); achievement versus allocation (indication); neutral versus emotional; specific versus diffusive (scattered); human-nature relationship (internal/external control); and human-time ratio.

2.1. Management culture as part of the informal organizational culture

This section briefly discusses the management culture as part of informal organizational culture. On the one hand, Cohen [4] defined the organizational culture as the combination of formal and informal systems, processes, and interactions. On the other hand, according to
Bush and Coleman [100], organizational culture generally is more associated with informal rather than official aspects. When speaking about organizational culture and its effects, different authors distinguish such elements as artifacts, behavior models and norms, attitudes, values, commitments, fundamental assumptions, and others. Some of these elements (e.g., artifacts and symbols) are easily noticeable, susceptible to formalization and definition, or may even be regulated in the organization’s documents, but others may persist for a long time being unnoticed.

It is no coincidence that Kirkbride [101] noticed that organizational culture is usually seen as the “atmosphere” of the organization, or the attitudes, feelings, and beliefs of employees. This atmosphere, which often involves the organization’s climate as well, can be broadly and differently interpreted, and result in a clearer way under particular situations, for example, related to changes or crises. However, as Baker [102] noticed, the informal, non-material, interpersonal part of organization’s culture as the basis for cooperation and commitment of the members of the organization is becoming more important than the formal, material elements.
of culture. Since the informal culture is associated with deep interactions of the members of the organization, they originate from them, influence them, and promote corrections of values and attitudes. It creates a strong atmosphere of trust and longevity in employee relations and is ultimately the most robust route to maintaining a sustainable competitive edge [103].

Such informal organizational culture factors as organizational commitment, moral norms, organizational ethics, values, attitudes, group norms, socialization and acculturation manifesting itself in human resources management, etc. affect both management culture and the social responsibility state in the company. Therefore, the research ascertains relations of managerial staff valuable categories to organizational climate, employee reactions and well-being [104], creativity, innovation, individual and group behavior [105], employee behavior when sharing knowledge [106], motivation, incentives and education, having direct relevance to the competitiveness of companies [107], and so on. Informal organizational culture is the organizational culture layer that is recognized and interpreted by analyzing the behavior of the organization and its members, in internal and external communication with all stakeholders. It can both confirm and question the declared values, norms, principles of the organization, ordinary employees, and managers. The organizations develop their own internal informal culture as well as this part of culture is strongly influenced by the society cultural, subcultural environment, and its differences. For example, Cohen’s [108] study showed that in different types of organizations operating even within the same national cultural environment, there exist strong and significant differences that are revealed through organizational commitment, the values, and behavior of the members of the organization. Another study showed the dependence of employees’ well-being and organizational commitment on the organization’s cultural differences [109]. Therefore, when we talk about the informal culture of the organization, we deal with a wide range of impact that affects the organization from inside through individual values, norms, attitudes of employees, and managers, and values, norms, and expectations of related external entities.

The research by various authors shows a strong informal organizational culture influence on the members of the organization, human resources management, and the way the society stakeholders perceive and evaluate the organization. Based on the research, Table 2 reviews some of the characteristics of functional informal organizational culture elements that affect both the company management and social responsibility.

The analysis of the role of informal cultural elements can be broadened and deepened, but the discussed examples show the organization’s culture elements’ interconnectivity and a wide range of impact and coordination of interests. As such, morality is closely related not only to the ethics of organizations [111] but also to more formal elements needed to express the targeted organization’s maturity [117]. While the market is primarily related to egoism and morality concerns with a personal view of what is moral, fair, or unfair, welfare economic theory and its applications cannot proceed very far without the assistance of moral codes [118]. Of course, the moral company culture changes could take considerable time, the more that there are still discussion questions if formal company intervention in determining the codes of ethics does not inhibit the rights of employees to moral autonomy [111] and how it affects the resistance of the members of the organization. Besides, Hofstede [119], who studied the
attitudes and values of employees in the context of the organization’s culture, stated that employee attitudes were found to be clearly distinct from employee values. According to the author, perceptions of organizational practices were unrelated to values and only overlapped with attitudes where both dealt with communication.

Disagreement arises not only because of differences in values, but also because of subjective differences in communication. In this case, attention is paid to the values, norms dominant in society, and the resulting behavior and expectations. Therefore, it can be said that the emphasis on informal organizational culture influence on many aspects of activities, including the increased operating efficiency and profitability, and egoistic interests of company shareholders aiming for profit in the market, may be the object of reaching consensus while combining stakeholder interests (this is further discussed in other chapters of this book). Naturally, there is a need to highlight or, in other words, to formalize the object or objects of discussions. Thus, the problem of formal organizational culture aspect is emphasized, which is discussed in the next section.

2.2. Management culture as part of formal organizational culture

Management culture can be relatively described as part of formal organizational culture. Management culture elements, i.e., management staff culture, managerial processes organization culture, working conditions culture, and documentation system culture, are associated with formal organizational culture elements through the following factors: strategy, processes, organization structure, objectives, regulation, written documentation, technology, information systems, and control and incentive. Formal organizational culture within the individual elements was studied, in addition to the aforementioned authors, by Albert and Silverman [81], Carroll and Harrison [84], Townsend [89], Higgins and Mcallaster [67], Gallivan and

<table>
<thead>
<tr>
<th>Elements of informal organizational culture</th>
<th>Function in the organization</th>
<th>Authors</th>
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<tbody>
<tr>
<td>Moral norms</td>
<td>Impact on public confidence, there exists a link between moral culture and ethical leadership, employee identification and company maturity</td>
<td>[110, 111]</td>
</tr>
<tr>
<td>Organizational ethics</td>
<td>The company’s responsibility is developed, the risk of fraud and abuse is decreasing, but also can improve organizational innovation, behavior, strategic, and process innovation in practice</td>
<td>[112, 113]</td>
</tr>
<tr>
<td>Values</td>
<td>Influence attitudes and norms, behavior of employees, organizational climate</td>
<td>[104, 114]</td>
</tr>
<tr>
<td>Group norms</td>
<td>Values, norms, and beliefs that play a role in creativity and innovation can either support or inhibit creativity and innovation depending on how they influence individual and group behavior</td>
<td>[105]</td>
</tr>
<tr>
<td>Socialization</td>
<td>The influence on social integration, a positive relationship between democratic organizational culture, socio-moral climate, and better professional socialization is established</td>
<td>[115, 116]</td>
</tr>
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</table>

Source: Compiled by the authors.

Table 2. Functional characteristics of informal organizational culture elements.
When analyzing the meaning of the connection between strategy and objectives as the elements of management culture, factors determining strategy planning and implementation success are evaluated in researchers’ works. Business objectives should be translated into more concrete goals to guide and direct the manager’s work, and general leadership style philosophy statements should also be translated into concrete managerial behaviors, activities, and roles to lead and direct the way in which management gets the work done through people. The benefit of human resources staff, who start using this extra step behind the broad philosophy statements’ generation, is as follows: all the employees will share common management philosophy and values system; all leaders will think and communicate using a common set of managerial activities and roles that they are guided by in their behavior; management effectiveness culture will emerge, which serves as a strong influence on the future leaders conduct and activities. As a result, all the organization managerial resources will work in such an environment that was formed to achieve consistency [81]. Bushardt et al. [70] emphasized the importance of the managers’ attitude—the heads should assess the organizational culture as a strategic planning process, when the aims and objectives gradually merge with the culture. In this process, it is important to properly direct the efforts of the staff. Taylor [73], Higgins and Mcallaster [67] named organizational culture as one of the most important factors shaping and implementing the strategy. Successful management of the organizational culture is realized through cultural artifacts, rituals, ceremonies and symbols, and certain physical characteristics such as interior and exterior design, and equipment. Higgins and Mcallaster [67] indicate that all changes of cultural artifacts help to strengthen the new strategy, so, when making strategic changes, it is important not to forget to change your cultural artifacts, i.e., to make the necessary changes in the organizational structure and the management of systems and processes, to correct the leadership for the staff style. According to Jagajeevan and Shanmugam [68], good organizational culture not only gives direction to the organization and directs individuals to achieve the organization’s goals, but also promotes the processes of changes. The authors summarized the contribution of rituals and team orientation to organizational culture. Haber [11] refers to the importance of staff participation in developing of the strategies and striving for results and highlights the motivation of the employees, significance of hierarchical flexibility, and partnership in decision-making process. Hu et al. [71] established impact of managers’ actions on employees’ behavior, by emphasizing how important it is to understand the connection among leadership, organizational culture, and employee cognitive processes aiming to develop managerial staff culture. The authors believe that a very significant activity of the managers is to be able to manage and control the behavior of employees and to guide them for achieving the objectives.

When discussing the processes, as one of the management culture elements, the complexity of process management is highlighted, as well as the importance of their coherence pursuing the organization’s aims. Dahlgaard et al. [80] believe that procedural management enhances the managerial processes organization culture and makes it possible to develop the culture...
of managerial staff. Process management methodology gives an opportunity for the owners to select process analysis comparative data and information as well as identify the areas of improvement of processes. Management style, sociodemographic structure, and socialization processes strengthen the common cultural level. Carroll and Harrison [84], having analyzed the processes of the organizations’ demographic structure and cultural level of socialization, and Dupuis [86], having established the correlation of culture and management styles in different intercultural environments and effects on employees' socialization, confirmed the influence of these factors on procedural management. Ling [85] evaluated the competency development process correlation with organizational culture. The communication process based on solidarity and trust creates a favorable environment for sharing knowledge and ensures the efficiency of competency development processes.

Discussing the structure as one of management culture elements, the effect on managerial processes is designated in the scientists’ works depending on the type of structure and the specificity of determining subordination relations in each organization. Laulusa and Eglem [76] state that the organization’s structure is an essential formal cultural element conditioning management processes when, depending on the nature of the structure, the actions of employees and relationships with stakeholders are formed. Haber [11] found that each formal organizational structure model is distinguished by sharing responsibility, competencies assigned to job places, and the system of payroll and corporate communications within the organization and outside, also established the role of formal and informal structures in order to implement the tasks undertaken, and pointed out that the differences in management decisions are related to the company’s legal form and company size.

When discussing technologies/information technologies as one of the management culture elements, intensity and options in modern technology development and deployment to business process management are emphasized. Albert and Silverman [81] introduced the management culture improvement model, which includes programs for the formation of change aims, development of changes, and program integration into human resources management, and stages, at each of them planning changes in technology and in the final stage creating a human resources support program. Gallivan and Srite [82] summed up the research of organizational culture and information technology applications. The scientists researched a variety of communication technologies, including e-mail, electronic meetings support systems, video conferencing, and a new-generation systems’ cultural implications on decision-making process; they indicated that the technologies ensure cultural compatibility, facilitate integration of employees from different cultures, and the systems help to enable the standardization of the business processes. Organizations, where the applied IT technology integrates and unites the workforce, are using information technology to achieve the company’s advantage. Comprehension of the IT role in shaping the culture at managerial level can have a positive result on staff activities, favorable attitude to technology installment by integrating into the planning, design, and management processes, and strengthens the overall management culture. Popovič and Habjan [83] state that the higher the quality of the information presentation, the higher level of decision-making culture dominates in the organizations and the relations with stakeholders are stronger. Dahlgaard et al. [80] state that the process-based management, using different techniques and tools (Lean, Six Sigma, etc.), optimizes the
standardized management of processes, helps to pay special attention to customers and suppliers, and enables the possibility of improvement of activity processes. Grote [79] discusses the development of safety management systems in many industries and indicates the key activities to any organization: safety management of employees, safety management quality, and safety regulatory regime, reflected in the standards and procedures.

The main role of management is to achieve the company’s goals by using a certain number of employees, management methods, and control means. Naor et al. [91] point out the advantages of quality management practices and procedure application in process management, and production efficiency enhancement processes highlight the importance of cultural elements in management practice and activities. Townsend [89] researched the problems of control resistance and employee work satisfaction, and brought up an assumption that a different employee behavior dominates in organizations with distinctive culture, distinctive according to management style and size of the organization, but active opposition to the employers’ control is characteristic to employees of all levels. Franklin and Pagan [90] researched the causal links between formal and informal cultural factors and the choice of employee discipline strategies, pointing out that the actions of the manager when choosing a formal disciplinary nature are conditioned by the written documents of an organization, timely and detailed references, organizational structure, which provides hierarchical nature, organization of labor discipline training, and employees’ socialization experience in the organization, and when implementing labor discipline control, the consistency of all managers is desirable.

However, according to Bergheim et al. [120], there is such a variety of factors that can alter or affect learning and behavior, so it can be stated that a lot of small steps, independent and also established, may have occasional reactions in learning or cultural changes.

Lee and Widener [92] researched the opportunities for application of culture and management control systems in order to determine the type of culture and the proper development of business processes and create process improvement action programs on the basis. Cooke [59] introduced management culture improvement activities, including staff capacity-building, which includes quality improvement schemes implementing ISO standards, continuous production processes improvement, innovation implementation, and employee participation in these processes, which is implemented through structured employment procedures and rules, incentive and disciplinary, health and safety procedures, and other descriptions of behavior norms in workplace. Cooke [59] considered that one of the major cultural aspects is the company’s orientation to well-being of employees, which includes working condition’s quality improvement and application of motivation measures. Bushardt et al. [70], Krasulja and Radojević [95] refer to the importance of creating remuneration and award system aiming to create the system of employee satisfaction with work, regardless of the intercultural environment the organization operating in, as rapid technological change and political changes provide not only new opportunities but also the feeling of insecurity, so the aspects of motivation, incentive, and award are important in human resource management.

Partly formulated management culture concept coincides with visible or known as the “strong” culture elements isolated by Schein [13, 20, 21], but not identical. Management culture concept distinguishes and highlights the physical environment, management, processes
organization, personnel management activities, etc. This is what makes the content of the management work. Management culture is a set of organization’s achievements and performance of managerial processes, regulation of operational processes, the use of techniques in management, as well as requirements that are defined by public morality, ethics, aesthetics, law norms, principles, and are required for management system and employees [30]. In addition, the management culture [31] is of great importance and conditions successful managerial decisions of many social-economic tasks of the company. Effective activities of managerial apparatus, structural units, and individual managerial staff are possible in market economy conditions only at high management/managerial culture level. In modern conditions, the compliance of management culture requirements helps to achieve a clear and coherent managerial staff level, the rational usage of working hours, and physical and spiritual forces, and raises the professional level of the staff in the company.

The aspect of related and relevant management culture is influenced by the country’s general sociocultural context on management, which is more or less unique. It can be distinguished by comparing management cultures of different countries. For example, Hofstede and Hofstede [121] compared the United Kingdom and Sweden. The authors stated that the United Kingdom and Sweden are culturally similar in this respect, but statistically Swedish organizations are more likely to give priority to consulting management culture in which many people are involved in decision-making. In the Swedish workplace, the Swedish PDI value is less than in the United Kingdom, which results in more decentralized organizational structures and informal relations of “use of the first name” between superiors and subordinates. The salary ranges generally between the low PDI in societies such as Sweden; the salaries are believed to have reduced the gap between the employees in the best and worst jobs. At that time, Lundin and Häggren [122] drew attention to Swedish and the US management culture similarities, but they stressed that American management culture can be characterized as based on four characteristics: competition, focus on profits, individualization, and professionalism. American management culture is permeated with short-term thinking and is characterized as having a more formalized organizational structure than in Sweden. Their high level of individualism can explain the competitiveness that exists among employees, and their personal career ambitions are emphasized. Management culture is different in different countries mainly because of the goal identifying differences related to business practices among cultures, and it is necessary to draw attention to the fact that potential errors may occur when there is a lack of awareness or understanding of other cultures [123].

As this book is not intended to reveal the peculiarities of different management cultures, it is already the subject of a new study, but by summarizing, we will note that management culture is a system developed by managerial actions, because, as stated by Albert and Silverman [81], an organization or its unit desire to create a unique management culture. It is as a context in which all organizational objectives are achieved, they also provide a system to anticipate and respond to the opportunities and threats from the outside of the organization. At a certain level, when all the company or unit heads take part in this activity and behavior, and perform them effectively, a new management culture will be developed. However, the management culture is not created in a vacuum, but is actively influenced by the cultural environment to which it more or less coincides.
This means that a unique instrument is needed to know and measure an individual country’s management culture, an instrument, which among other things, has to consider the fact that reactions of employees of different cultures differ. For example, when it comes to computerization, information technology possession, and use, in a developing country, a few years old, second-hand computer equipment can be identified as “new” or “modern,” especially if the employee hasn’t used such equipment at all. In organizational management practices, you can still hear leaders who welcome innovation—the fact that workplaces are equipped with second-hand computer equipment. At the same time, it shows the level of the investment and their return understanding. So, as Lefterache [123] stated, management culture is influenced by national culture. In addition, the lack of attention to this belief can create difficulties in business, because the understanding of other cultures and perception of differences allegedly contribute to business success.

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