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Summary and Discussion

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The term management culture is new and has been in a continuing process so far as a highly topical and controversial phenomenon. Discussion, when analyzing corporate social responsibility issues, as well as the management of organizations in general, may be formulated on this basis, too—is it generally necessary to introduce a new term if it is clear from the organizational culture discipline, what does it give to us and if it does not cause unnecessary confusion? Our study shows that such management culture isolation from the organizational culture concept requires instrumental approach when during planning of the changes we are talking about the situation in the organization's management chains and solutions with the help of which we want to change the situation.

There are a number of theoretical and empirical studies where corporate social responsibility is analyzed in a very broad context of the organizational culture. Organizational culture, as a whole, is undoubtedly the undisputed element of corporate social responsibility in practice. This factor is of dual, integrally related, nature with the feedback relation when we talk about the influence of this complex on corporate social responsibility and how social responsibility is expressed in the culture of the organization. However, while examining corporate social responsibility issues and the impact of organizational culture on social responsibility development and implementation in practice, we missed a greater and more focused attention to the 'hardest' or purely functional, formal management aspects that are named here as management culture.

Management culture is part of an organizational culture that includes both formal and informal elements of the organizational culture. Management culture reflects the level of the organization's managerial system development, modernity, efficiency and functionality. It depends on this level how innovations will be implemented in the organization's management and whether they will be implemented at all, and how effectively the objectives will be solved and the aims will be implemented. There are four management culture assessment criteria identified: management staff culture, managerial processes of the organization culture, the culture of working conditions and culture of documentation system. The most important

elements are considered to be knowledge and moral–social managerial staff competence and the level of development of which determines the efficiency of social responsibility concept instilling and implementation processes. Ethical and legal compliance shows the level of personal culture and awareness and organic self-perception in the social system. Society, undergoing political and social transformations, formulates new requirements for business organizations to assess management culture as the instrument ensuring the functionality of the organization. Experience reflection and concentrated investment in improving the management culture development level is one of the key tasks for organizations that operate under the conditions of changes and initiate them themselves.

The processes that predetermined the development of management and organizational culture concepts are closely related to corporate social responsibility development, which is adjusted by both the peculiarities of social and cultural development of different states and global changes. Corporate social responsibility is named as a moral regulatory mechanism oriented to the socially balanced market. Stemming not so much from the institutional power, but from the will and expectation of a civil society, what, for example, is denoted as valuable differences highlighted in the research and European and the USA approaches to corporate social responsibility goals. In this respect, the scientists analyzing corporate social responsibility have not achieved unanimous conclusions, because not only the interests of shareholders and other stakeholders are different but also the valuable criteria of societies and approaches to corporation power and regulatory mechanisms. While many recognize that corporate social responsibility reduces tension and risk and affects the favorable image of an organization which facilitates the operation in the market, however, there still remain unclear social exchange principles, and corporate social responsibility institutionalization, taken by the authorities, can be described as ‘soft power’ means threatening social relations dynamics based on morality, ethical values and trust. Corporate social responsibility is a valuable category that cannot be measured in a specific practical case completely by using part of charged profit or contribution to environmental protection, but it can be felt and appreciated by people that make up and surround the organization. Corporate social responsibility is twofold, consisting of organization, that is, managers and shareholders, social responsibility awareness and public social responsibility. The following corporate social responsibility assessment criteria should be identified: behavior of a socially responsible employee and behavior of a socially responsible organization. Behavior of a socially responsible employee is symptomatically associated with the behavior of a socially responsible organization. While forming the question of organizational responsibility, it is necessary to assess how much responsibility the society itself is ready to accept. It is equally worthy to give a wider debate to the question, how much ordinary employees of the organizations (not only the managers) that are set to become socially responsible are interested in fostering social responsibility values in their daily activities. In the society, which lacks strict moral criteria, moral conformism is vigorous and faster development of social responsibility in the organizations is stopped. And there can appear social responsibility simulation, manipulating stakeholder expectations in a Machiavellian way and trying to achieve higher profits. In this case, it is important to assess the ideas discussed at both the business and public sector levels. For example, the discussed 3E model with respect to the public sector is completed by a social justice category (4E), but

4E model applicability proposed to the public sector should be considered in the concept of social responsibility of private sector organizations, because a socially unjust organization cannot be socially responsible. A social justice issue is revealed in particular relevance in relation with the company's employees: stakeholders who do not always receive adequate attention in organizations where corporate social responsibility is increasingly used as a component part of the marketing strategy.

In terms of the main corporate social responsibility criteria, in empirical studies carried out in Lithuania, a shortage of detailed studies on different criteria was determined. Research interest is often theoretical in nature or quite often focuses on corporate communication, profit and charity relationship problems. Although more than 10 years ago, an increased scientific attention to the problems of social responsibility coinciding with the increased interest of companies in social responsibility ideas was noticed, slow tendencies mentioned by the author remain relevant for the second decade of the twenty-first century. This is shown not only by the sluggish interest in a wider range of problems of corporate social responsibility aspects but also by the number of companies which declare to be socially responsible that has not changed for a long time. It is valid for both the companies where private shareholders' management dominates and the companies whose shares are owned by the government or the municipalities. First, it shows that the company's shareholders measure retroactive benefits more often by investment in philanthropy and other activities in relation to received earnings. This debate on the direct return has been relevant for several decades in other European countries and the countries in other continents, too. Second, the tendencies in business practice illustrate still little confidence in research and education authority when it comes to indirect and long-term benefits of social changes. Third, there is a very clear superiority of public initiatives or pressures against private initiatives of the companies.

When stating that one of the key interferences of corporate social responsibility development are commercial expectations of organizations and focus on the short-term effect, it must be acknowledged that they are significantly impacted by the society cultural values, determining business culture. Similar trends, by the way, as well as the limited development of corporate social responsibility in general, are apparent not only in Lithuania but also in post-Soviet countries having a similar historical experience, where civil process remains still complicated and continuing to form. It can be stated that poor civil society activity influences such examples that some of the parent companies based in the Nordic countries apply different standards of responsibility in the region. At the same time, it shows a certain simulation of values of organizations providing double standards. The symptoms encourage to rethink, discuss and assess how much corporate social responsibility manifests as a natural value of the organization, and how much it is influenced by the external pressure, which, in case of weakening, changes the standards applied in company activities. Not undermining the influence of external stakeholders, in our view, management culture and its level role, performing the shaping function, have a significant impact on the stable policy of both local and international companies' activities. That is, the higher the management culture, the more consistent compliance with corporate social responsibility values, the smaller the differences among the same group of companies. The management culture and corporate social responsibility relations set in our study show that social responsibility does not create new values in the organization, but

it is distinguished by orientation to the traditional values that are important to harmonious human relationships in society and within the organization; they aggregate and transform them at the extent how and to what extent it is necessary to the particular organization. In response to the controversial question what role of management culture is aiming to implement corporate social responsibility, first of all it should be noted that the management culture concept identifies the mechanisms of the organization as a social system interaction and cause-effect relationships related to social responsibility. Second, strengthening management culture, that is, consistently developing managerial and human relations competence, with emphasis on ethical and moral leadership, the conditions are created enabling more effective and integral implementation of the principal values of social responsibility, that is, using and promoting internal managerial personnel potential. Therefore, in order to implement corporate social responsibility in practice, it is necessary to assess the state of management culture according to individual criteria describing it and to change it purposefully. Many of the authors participating in the study maintain that corporate social responsibility is an integral part of the organizational culture, which requires a strong management culture to develop and maintain it as an instrument. We have identified the following relevant criteria: leadership with regard to stakeholder interests and in line with company goals, preparation of exact regulations, requirements, implementation and supervision of decision-making, formulation and enforcement of moral principles, self-development, wise organization and management of the processes using the functional systems and provision of necessary human, technical and other resources.

Management culture's theoretical concept can be seen as a methodological basis for organically systematic integration of social responsibility concept in the companies' practice. In order to check the new theoretical concept and relationship with corporate social responsibility criteria, a new empirical research instrument was created. When testing it, high requirements for psychometric characteristics were raised and expert insights and exploratory study results were assessed. The questionnaire test results may differ in the case of different size samples, but the results of this study confirm the success of the questionnaire forming process and the availability for other research where management culture and corporate social responsibility relationships are analyzed. Although the calculated indicators in some positions show lower results, they conform to the scientifically accepted questionnaire validity and reliability requirements. So, the received high coefficient values indicate that the statements of management culture and social responsibility scales and subscales, included in the instrument, are closely related. The instrument can be applied to determine management culture development level in the companies which aim to become socially responsible and lack knowledge to assess the discharging situation and anticipate directions of changes.

It was determined that the management culture development level and corporate social responsibility relation are especially evident in the context of obligations. Social responsibility principles, such as civic responsibility, compliance with laws, ethics and profitability represent the stakeholders' expectations in the organization, both internally and externally, that is, in meso and macro environments. The organization's responsibilities arise from the perception of internal and external stakeholders' expectations. Management culture plays a triple role: instrumental, structural and ethical. Management culture development makes it

possible to construct and develop an effective organizational structure to ensure its functionality in accordance with ethical and moral imperatives to reconcile divergent interests.

The functionality of the model of management culture level determination is confirmed by the results of the research aiming to implement corporate social responsibility, which depends on the organization of evaluation processes in determining corporate social responsibility, management culture structural components interaction and its quality. The proposed process of change implementation is organized on the basis of the logic of four interrelated steps: information collection, processing and evaluation, decision making and organization of changes. In the course of the process management culture and social responsibility strengths, weaknesses and threats are determined that may be significant to the implementation of the changes. Although the model can be applied in public sector organizations having in mind the companies and institutions established by the state and municipal institutions, it is adapted for private sector organizations. It should be noted that the use of the model and the efficiency of the decisions depend very much on such factors as the will of the owners of the organization, the organization's responsible management staff qualifications and ability to rationally use external advisory resources. The model is constructed considering the fact that private sector organizations have to define the quality standards of management personnel (to use the already formulated guidelines and/or adjust the changes in accordance with the operational specifics), these standards are purified in the evaluation process and become the basis for renewed and systematized management culture policy that is directly related to the company's social responsibility policy and practice. The model proposed by the authors of this monograph creates preconditions to answer the problem question: at what level of management culture development, the organization can be considered prepared to pursue the implementation of corporate social responsibility. It shows the relationship between the strength level of the management culture and opportunities for successful organization of corporate social responsibility standards implementation. The weaker the management culture, the greater changes and the costs of their implementation will be required. The model is not limited to a particular type of organization, but it can be especially valuable for medium and large companies which are characterized by the abundance and variety of structures, and to assess the activities which require higher expenses of organizational activities expenses.

Empirical research has determined that employees evaluate corporate social responsibility activities negatively and the administration evaluates it positively, and this indicates that social responsibility program, maybe, is implemented formally, stakeholder expectations are not assessed and considered sufficiently, feedback is not made certain. Consequently, there is no effective social responsibility strategy and its implementation audit system. Summarizing various research results achieved in different countries, it is revealed that large companies are not always inclined to coordinate their activities with the stakeholders relating to their institutional weakness and inflexibility. Although corporate social responsibility activities are understood as organization's investment into greater economic benefits through social interaction and sustainability, because of the mentioned institutional social structures of weakness there still remain unfilled gaps that prevent effective balance relations with all stakeholders, which leads to additional risks that investment concentrated on external corporate environment will not produce the expected returns. The conclusions of the research performed in

other countries confirmed that organizations assess not all of the corporate social responsibility aspects, and this is influenced by insufficiently strong institutional capacity of the employees as one part of the stakeholders. The results of the carried out quantitative study base the finding that the administration of the two groups of companies involved in the study assess corporate social responsibility activities inadequately; there is no guarantee feedback and there is lack of concern for the relationship with employees, their physical environment and psychological well-being. The ability to achieve a balance between the physical and socio-psychological environment in the workplace by management actions is an important sustainability indicator of corporate social harmony principles. Our study found that there is no effective management culture and social responsibility auditing system which should be developed while ensuring feedback, and corporate social responsibility has not become the property of organizational culture.

Having evaluated the weaknesses of groups of companies management culture and social responsibility characteristics, as well as positive trends, it could be stated that: first, management culture development level has a significant impact aiming for corporate social responsibility; second, corporate social responsibility can be regarded as an integral part of management culture derivative, realized in organizations management practice. However, there are also differences among the company groups involved in the study, which may be considered as significant examples of different organizational cultures, deriving from management culture differences. For example, the established amounts of management staff's personal culture and significant management knowledge estimates related to different points of view towards other management work criteria according to which the management culture condition is determined. A clearer dynamics of indicator estimates in the second group of companies (as it is conditionally named in the study) confirms that the management culture is still continuing to shape, but without clear direction vectors. The processes are not clearly focused and are uncoordinated. The existing standards and regulations are not sufficiently linked to performance practice, that is, why they do not guarantee the optimality of processes. This showed differences with the first group of companies where there is a well-established distinctive management culture although the estimates of indicators diagnosing its level are not particularly high. In such a situation of investment in managerial modernization, optimization issues of operational processes remain relevant, unsolved and their payback effectiveness still remains questionable. In the policy of management of both enterprises groups, human resources are not assessed sufficiently in order to create favourable conditions for their efficient use, however, the problems of functionality of inter-personal relationship and communication remain. Organizations (larger problems are determined in the second group of companies) are not adequately prepared to implement corporate social responsibility at an organizational dimension because the management job is not optimally organized, the management personnel lacks knowledge and skills of working with human resources. Even in the evaluation of formal aspects of corporate social responsibility standards implementation possibilities, the situation existing in corporate groups and the organizational capacity of the managers would prevent them from being realized systematically and effectively. In this case, corporate social responsibility values would stay in a more declarative form rather than the property of the organization's management culture, and the way of natural, balanced functionality of processes based

on this philosophy. Although in the second group of companies there is more vivid dynamics according to individual management culture parameters, the apparent orientation to performance modernization suggests a more open innovation culture, the elimination of weaknesses, purposeful development of which can serve corporate social responsibility implementation more effectively.

In various studies while assessing corporate social responsibility, very often the opinions of external stakeholders or individuals managing companies are considered. In the first case, the communicative flow created by the companies can influence the reactions of the researched and in the second case the interests of the companies' representatives themselves. Such a sensitive indicator as the company's employees is rarely used. Therefore, this study raised the question what the expression of management culture, as the formal and informal part of organizational culture, is when striving for implementation of corporate social responsibility with respect to the staff. Although between the two groups of companies involved in the study reliable, statistically significant differences were identified according to individual test steps, however, the tendencies of estimates show that both groups of companies focus most attention on the quality of the product and its presentation to the society, and this orientation is more noticeable in the second group. In the first group of companies, feedback information in relations with the consumer, as an interested entity, is evaluated insufficiently. The errors of processes organization, standards fragmentation and installation quality are significant while implementing corporate social responsibility principles. Lack of balanced criteria forming management culture and lack of stability determine the attitude of organizations to realization of social responsibility. In both groups of companies emerged declarative social responsibility policy tendencies meant to influence the consumer object the actual practice of social responsibility in relations both to the organization's internal and external stakeholders. In part, this confirms the theoretical insights provided in both Lithuanian and other countries scientific works, which emphasize the trend of marketing corporate social responsibility as a general cultural dominant. The results of the research lead to the conclusion that organizations lack basic knowledge on corporate social responsibility and motivation to realize them in practice, and high clustering and internal corruption level hinders social responsibility transfer to a strategic level. Lack of dialog about the development of culture among stakeholders (subjects), highlighted in management culture problem areas, can be a formidable obstacle implementing both individual social responsibility initiatives and installing in a complex way. This is relevant in the sense that the policy of the organization oriented to public corporate social responsibility communication does not have the general support of the employees, and the procedures are carried out in a superficial way and have a formal character. Corporate social responsibility is a valuable category of organization's internal culture, but the base is not strong enough and is imbalanced. Therefore, corporate social responsibility can be considered as still developing and the category that has not obtained clear forms yet.

The interview with group managers conducted in the scope of this survey answers the problematic question, what management culture as a formal part of organizational culture expression is aiming to implement corporate social responsibility in terms of top-level managers. It also reaffirms management decisions orientation to technological and production quality

assurance aspects. Corporate social responsibility aspects are only partially reflected in management culture, which indicates that management culture is relatively narrowly conceived and its development prospects are not clearly defined. It can be stated that all this leads to a very critical attitude of employees towards corporate social responsibility aspects in practices of company activities. This once again confirms that highlighting the position of employees, as stakeholders, may be considered to be a significant part of corporate social responsibility diagnostics at the company level. Managerial staff responses indicate that despite insignificant differences that emerged in both corporate groups, management culture and corporate social responsibility are perceived in very narrow aspects, and their development is not part of the organizations' strategic goals. In such cases, there are necessary systemic changes in management culture and corporate social responsibility, as a component of a strategic aim, actualization, which would allow developing social responsibility principles in a complex way and would gain employee support. This study established the management culture, as a formal part of the organizational culture, expression aiming to implement corporate social responsibility in terms of managers. It explains different assessments of the employees according to both company groups and enables to anticipate dimensions of changes and remove obstacles while implementing corporate social responsibility. With regard to strategies, corporate social responsibility is perceived eclectically, that is, it is not clearly formulated in the strategies of organizations and realized by groups of companies' managers; there is a risk that social responsibility principles will not be clearly and exhaustively communicated to the employees and realized in practice. Although managers of groups of companies recognize the importance of corporate social responsibility, only higher sales are emphasized in the organizational structure and its changes, not institutionalizing the coordination of relations with stakeholders. The assessment according to identified management culture characteristics showed that management culture of both groups of companies is oriented only to part of social responsibility aspects: economic and legal responsibilities (including compliance with environmental regulations), under the limited liability in relation with other stakeholders: employees and communities. However, management culture of the second group of companies assessing the processes, standards and systems is more favorable for installation of corporate social responsibility principles in the group.

We raised the question, what management solutions could help change management culture in order to prepare for the implementation of corporate social responsibility. Having assessed both the theoretical and empirical research results, the structured management decisions implementation process is proposed, providing a logical sequence of steps, which consists of five steps: (1) organizational, (2) diagnostic, (3) analytical, (4) decision and (5) change. The proposed model integrates solutions oriented to changes that are used for developing management culture and increasing corporate social responsibility level. The model is intended for organizations that pose the aim to diagnose the state of management culture and corporate social responsibility and to develop plans for changes. It is based on the principles of integrity, organizational uniqueness, practicality, human capital and structural development, openness and feedback. By using a diagnostic instrument, the possibility is created to apply scientific theoretical managerial knowledge to a specific organization, designing and developing a unique management culture. This makes it possible to strengthen and develop the moral and

instrumental foundations for the development of corporate social responsibility, by improving the management of the company and ensuring employee loyalty and engagement at the same time. The organizations' management practitioners who aim at greater social responsibility, regardless of markets and cultures they function in, first of all should better assess and reflect on the values and expectations of the employees in their companies. Second, they should assess how strong management culture is in subdivisions and branch establishments in order to implement the intended tasks and avoid unwanted crisis.

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