

Relationship Between Organisational Culture and National Culture on the Example of Classical Management Approach Theories

Lukáš Copuš ^{a*} and Michaela Poláková ^a

^a *Department of Management, Faculty of Management, Comenius University Bratislava, Slovakia*

Abstract

The main goal of the paper is to theoretically identify the values that result from the principles of selected classical management approach theories based on the cultural background of their authors. Theoretically, three selected classic theories were analysed: scientific management, administrative theory, and bureaucracy. The results of the theoretical research show that cultural values (organisational culture) manifested in mentioned theories are influenced by the cultural background of its authors (national culture). At the same time, each considered their approach the most appropriate in a given cultural context. Thus, these approaches cannot be considered good or bad but functional or dysfunctional, similar to cultures.

Keywords: organisational culture, national culture, scientific management, administrative theory, bureaucracy, Taylor, Fayol, Weber.

Article Classification: Research article

1 Introduction

The current ongoing era of globalisation and internalisation has brought many opportunities for developing business activities and research topics. In the business, suppliers, customers, employees and shareholders from different cultural contexts meet, and the values of the national cultures from which they come significantly influence their behaviour not only in their private life but also in their working life (Campagnolo - Vincenti, 2022). Different national cultural contexts and the values they represent thus bring different ways of working and functioning the organisations (Hung et al., 2022).

Brown (1998) claims that national culture is one of the sources of organisational culture. Therefore, research activities have naturally focused on various areas in which national cultures are manifested in organisations and thus also in their organisational cultures. Both practitioners and theorists try to understand different national cultural

* Corresponding author: Lukáš Copuš, Department of Management, Faculty of Management, Comenius University Bratislava, Odbojárov 10, P.O.BOX 95, 820 05 Bratislava 25, email: lukas@copus.sk.

contexts, their manifestation in the behaviour of individuals and subsequently in the functioning of organisations.

According to Crane (2000), nations have historically found ways of solving the problems they had to deal with. These approaches have developed over time, embedded in their cultural context and influencing human behaviour. Culture does not arise overnight but develops over a long period. According to Trice and Beyer (1993), the formation of a value system (the substance of national culture) is influenced by the experiences of the inhabitants of nations with successful problem-solving. This substance is outwardly manifested through cultural forms (e.g. symbols, language, histories or activities). These developed solutions are deeply rooted in its history. In the process of socialisation, they are presented to the new members of the culture as the most appropriate, and the new members naturally follow them (Hellriegel - Slocum, 2008).

The research focuses on various aspects of manifestations of national culture in organisations' functioning and management. For example, the relationship between national culture and corporate social responsibility (Schefer Roveda et al., 2022; Halkos – Skouloudis, 2017; Kang et al., 2016), national culture and marketing (Lee – Park, 2022; Liyanaarachchi, 2021; Copuš – Čarnogurský, 2017), national culture and ethical behaviour of managers (Westerman et al., 2007; Alas, 2006), or national culture of approaches to HRM functions (Griswold et al., 2021; Nadeem - Tayyab, 2020; Lockhart, 2020; Stacho et al., 2019). The national culture manifested itself in all the investigated areas to a greater or lesser extent. In the mentioned research, for example, it was confirmed that the national culture is one of the predictors of the ethical behaviour of managers and employees, but also the fact that it affects the communication of companies on social networks.

However, cultural differences can also be identified on a theoretical level. For example, literature and research (Robbins – Coulter, 2018) historically describe different approaches to functioning the organisation, which their authors considered the most appropriate, even if they differed significantly in many aspects. Many management approach theories are now included in respected management textbooks. The authors' cultural background is considered one of the factors that influenced the differences between these approaches.

The main goal of the paper is to theoretically identify the values that result from the principles of selected classical management approach theories based on the cultural background of their authors.

2 Materials and methods

The research is based on a selection of three classic theories, which are included in several management textbooks (Robbins – Coulter, 2018; Crainer – Dearlove, 2004; Wojčák et al., 2017; Sedlák, 2009; Majtán et al., 2016):

- a. *Scientific management* (Taylor, 1911).
- b. *Administrative theory* (Fayol, 1917).
- c. *Bureaucracy* (Weber, 1947).

First, we will provide a short description of the individual theories. Then, based on the theoretical analysis of the selected theories, we will identify the values that influenced their approaches to organisational functioning. Subsequently, we will present specific manifestations of national cultures on organisational cultures as examples.

3 Results

In the following section, we present the results of the theoretical analysis of the above-mentioned selected management approach theories.

3.1 Scientific management

The first analysed approach in which the influence of national culture can be identified is *scientific management* and its most famous representative Frederick Winslow Taylor (1911).

This approach arose as a response to the problems of American industry at the turn of the 19th and 20th centuries, which were mainly related to the lack of professional management and weak organisation of work, which led to waste and employee revolts (Witzel, 2012). Scientific management aims to ensure the highest possible prosperity through the highest possible productivity of people and machines in the organisation. According to Taylor (1911), the causes of low employee productivity and slow pace are mainly the natural laziness of the workers and work procedures carried out without rules.

Such procedures were to be replaced by scientific management, which is based on four principles:

1. to create a scientific procedure for the execution of each job, which was supposed to replace the current imprecise and rather by-the-eye procedure
2. to scientifically select, train, educate and develop workers, while previously, the worker chose his work and trained himself as best he could
3. to cooperate with the workers in order to ensure that the work is carried out following the developed scientific principles
4. an equal distribution of work and responsibility between the workers and managers, with managers taking on all the work for which they are better suited than the workers.

In addition, Taylor (1911) advocated that the worker should have several superiors (namely eight). According to him, finding a manager who would meet all the required mental and moral qualities (up to nine in total) was challenging.

Taylor (1895) tried to increase productivity also through remuneration. He proposed a system consisting of two compensation rates for the same work. The first rate included a higher salary for performance if the work was completed flawlessly and in the fastest possible time. The second rate included a lower salary for slower and less accurate work. The goal was thus to ensure a higher salary for workers who work quickly and satisfactorily.

Summary and identification of values

Thus, the essence of scientific management was increasing productivity and the most efficient use of human resources perceived as parts of industrial machines (Poláková, 2017). These are the values of **pragmatism, productivity, and waste elimination** (Copuš, 2022), which, according to several authors (Crane, 2000; Lewis, 2000; Trompenaars and Hampden-Turner, 2004), in the context of national cultures, are typical for the Anglophone cluster (which also includes the USA), which is the cultural background of the author of this approach.

We may consider them as the values of an organisation (organisational culture) functioning on the principles of this approach.

Hofstede (1993) also addressed differences regarding the influence of national cultures in his study and pointed out also the striking difference in the career path of Taylor and Fayol that led to a different perception of management in an organisation. He gives an example of Fayol's response to Taylor's theory proposing eight leaders for one employee, which contradicts the unity of command that is the essence of Fayol's administrative theory analysed below.

3.2 Administrative theory

Another management theory suitable for identifying the influence of national culture is the *Administrative theory* introduced by Henri Fayol (1917).

In his theory, he divided all activities carried out in the organisation into six groups:

1. technical activities (production, processing, transformation)
2. commercial activities (purchase, sale)
3. financial activities (finding and managing capital)
4. security activities (protection of property and people)
5. accounting activities (inventory, balance sheet, statistics)
6. managerial activities (planning, organising, commanding, coordinating, and controlling)

According to Fayol, managerial activities are significantly different from others because management allows for coordinating all other activities.

By defining the basic activities of the organisation, Fayol laid the foundations from which the theory and practice of management still draw. Currently, *planning*, *organising*, *leading*, and *controlling* are generally recognised as the basic functions of management (Poláková, 2017).

Fayol also defined the principles of management, which, according to him, he applied most often. They include, for example, *authority* (the right to command and demand obedience), *unity of command* (an employee receives orders from only one manager), *centralisation* (management gives work instructions to lower levels of the organisation), *scalar chain* (a line of authority over subordinates). These fourteen principles serve as a basic framework from which some current approaches have been developed, such as managerial authority, centralised decision-making and others (Robbins - Coulter, 2018).

Summary and identification of values

This approach is mainly characterised by the promotion of centralised management of the organisation and emphasises the role of managers (Poláková, 2017). It is based on values such as **hierarchy, formalisation and centralisation** (Copuš, 2022). These are characteristics that, according to several authors (Crane, 2000; Lewis, 2000; Trompenaars and Hampden-Turner, 2004), in the context of national cultures, are typical for the Latin cluster (including France), the cultural background of the author.

We may consider them as the values of an organisation (organisational culture) functioning on the principles of this approach.

3.3 Bureaucracy

The influence of national culture can also be identified in the approach to managing an organisation called *bureaucracy*, represented by the German sociologist Max Weber (1947).

Based on his findings, he claims that the ideal work organisation is bureaucratic administration, in which the delegation of managerial functions is based on the individual's ability to hold the given position. He considered this form to be an ideal, rational and very effective form of organisation (Schermerhorn, 2010), while it is based on the following principles:

1. division of labour - each employee is dedicated only to the area and work for which he is qualified, the work is clearly defined, and workers quickly acquire the necessary skills to perform it
2. authority hierarchy - authority and responsibility are also clearly defined for each position; each position reports to one position at a higher level of hierarchy
3. formal rules and regulations - behaviour and decision-making are governed by guidelines drawn up in written form; written records are created and archived
4. impersonality - rules and procedures are dispassionately and evenly applied; they apply to everyone equally without favouring anyone
5. formal selection. The selection and remuneration of workers take place based on objective criteria, i.e. their abilities, skills and performance
6. career orientation - workers should be educated, professionally and professionally grow; managers are professionals working for the organisation

Summary and identification of values

Thus, this approach is characterised by effectiveness and efficiency (Combe, 2014), employs experts primarily and does not allow personal emotions to interfere with work in the organisation. Furthermore, rules lead to consistent and predictable behaviour (Poláková, 2017). From a cultural point of view, these are values such as **discipline, order, rules, and justice** (Copuš, 2022). These are characteristics that, according to several authors (Crane, 2000; Lewis, 2000; Trompenaars and Hampden-Turner, 2004), in the context of national cultures, are typical for the Germanic cluster (including Germany), the cultural background of the author.

We may consider them as the values of an organisation (organisational culture) functioning on the principles of this approach.

It is necessary to note that some administrative theory principles are similar to bureaucracy principles. However, what the authors of the theories imagine under them differs significantly within the cultural context from which they originate.

3.4 Values of national cultures and specific external manifestations

Based on the identified values of individual national cultures, which were manifested in different management theory approaches, it is also possible to state their various manifestations in the functioning of the organisation based on the literature (Figure 1).

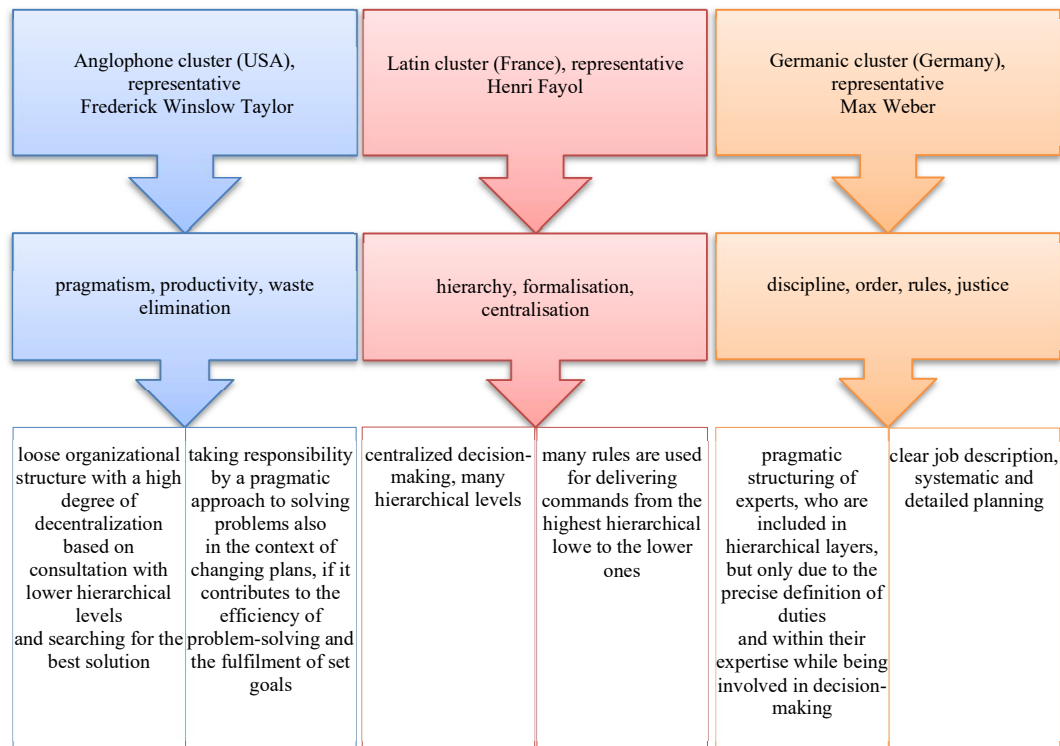


Figure 1 Values of national cultures and its expressions (Source: adapted from Copuș, 2022; Copuș - Šajgalíková, 2020; Copuș et al. 2019; Šajgalíková - Copuș, 2016)

4 Discussion

As seen from the given examples and their analysis, each author presents his approach to management, which he considers to be the most appropriate. It can be agreed that in the cultural context in which the individual authors functioned and from which these approaches naturally emerged, they appeared to be the most appropriate. However, they would probably not be the most appropriate in other cultural contexts. This does not mean that the management approaches are either exclusively good or bad. As they arise from different cultural contexts, it cannot be argued by analogy that some cultures are good and others are bad. Cultures can only be spoken of as functional or dysfunctional (Šajgalíková – Copuș, 2020). The same as analysed approaches.

In international cooperation, we must consider the cultural contexts from which our shareholders, managers, employees or colleagues come. As pointed out in our theoretical research, national culture is a basis for historically proven solutions to problematic situations. It thus manifests itself in behaviour in individuals and organisations through their organisational cultures and the values stemming from them.

It is necessary to add that national culture is not the only factor influencing the authors of mentioned management theories. Within the cultural background, occupational

culture should also be considered in the case of scientific and administrative management authors. Schein (1996) distinguishes three occupational cultures. Firstly, the culture of operators which concerns line managers and workers who make and deliver the products and services to fulfill the organizational goals. Secondly, the culture of engineering which concerns technocrats and core designers in any functional group. Thirdly the organizational culture concerns top managers and executives. Particular assumption of each culture causes each group sees the organization differently. For example, the engineering culture's assumptions are based on formal education, work experience, and job requirements. If we consider Taylor's career path, he will fall into the occupational engineering culture.

Taylor was promoted to foreman and then to chief engineer and also took a degree in mechanical engineering. As a result, he acquired a high degree of theoretical and practical technical knowledge. Scientific management was not the creation of Taylor; it reflects very strongly the characteristics of those who found it. Like Taylor, they were tough-minded rational pragmatists and also idealists believing in the perfection of science and the solution they found in the ultimate form of management, the one best way. Following Fayol's career path, he would belong to an executive culture.

Executive assumptions are formed around maintaining an organization's financial health. Executives move up the hierarchy and oversee many people. Therefore they gradually lose direct and personal contact with subordinates and have to create systems and routines to make the organization effective. (Schein, 1996) Fayol was also trained as an engineer but later became a managing director. His management experience in an organization was different from that of Taylor. Fayol had top-level management experience and ran a huge business. As managing director, he rescued the firm from near-bankruptcy, guided it through the takeover of another firm, and oversaw its steady growth. Unlike Taylor, whose focus was productivity on the shop level, Fayol focused on the entire organization and a set of principles that would lead to efficient management of the whole organization. (Witzel, 2012). Their different focus, as well as their national cultural backgrounds, are reflected in their developed management theories.

Acknowledgements

This paper was funded by the *Faculty of Management Comenius University Bratislava* and supported by the project VEGA 1/0792/20 *Examination of Changes in Management of Companies in Slovakia in Connection to Industry 4.0 Transition*.

References

- Alas, R. (2006). Ethics in countries with different cultural dimensions. *Journal of Business Ethics*, 69(3).
- Brown, A. (1998). Organisational culture. London: Financial Times Management.
- Campagnolo, D., & Vincenti, G. (2022). Cross-border M&As: The impact of cultural friction and CEO change on the performance of acquired companies. *Journal of International Management*, 28(4).
- Combe, C. (2014). Introduction to Management. Oxford University Press.
- Copuš, L. (2022). Kultúrne aspekty manažmentu v globálnom prostredí. In Horváthová-Suleimanová, J. et al.: *Manažment v globálnom prostredí*. Bratislava: Comenius University in Bratislava.

- Copuš, L., & Čarnogurský, K. (2017). Intercultural marketing: Culture and its influence on the efficiency of Facebook marketing communication. *Management & Marketing. Challenges for the Knowledge Society*, 12(2).
- Copuš, L., & Šajgalíková, H. (2020). Organizačné kultúry: Európske špecifiká. Bratislava, Ofprint.
- Copuš, L., Wojčák, E., Majtánová, M., & Šajgalíková, H. (2019). Priemysel 4.0 a jeho dopad na organizačné systémy a ľudské zdroje. *The Journal of Culture*, 9(2).
- Crainer, S., Dearlove, D. (2004). Handbook of Management. London, Prentice Hall.
- Crane, R. (2020). European Business Cultures. London: Pearson, 2000.
- Fayol, H. (1917). Administration Industrielle et Générale. Extract du Bulletin de la Société de l'Industrie mineral.
- Griswold, K.R., Phillips, J.M., Kim, M.S., Mondragon, N., Liff, J., & Gully, S.M. (2021). Global differences in applicant reactions to virtual interview synchronicity. *The International Journal of Human Resource Management*, 33.
- Halkos, GE, & Skouloudis, A. (2017). Revisiting the relationship between corporate social responsibility and national culture: A quantitative assessment. *Management Decision*, 55.
- Hellriegel, D., & Slocum, JW (2008). Organisational Behavior. Boston: Cengage Learning.
- Hofstede, G. (1993). Cultural Constraints in Management Theories. *The Executive*, 7(1).
- Hung, Y., Su, T., & Lou, K. (2022). Impact of Organizational Culture on Individual Work Performance with National Culture of Cross-Strait Enterprises as a Moderator. *Sustainability*, 14(11).
- Kang, KH, Lee, S., & Yoo, C. (2016). The effect of national culture on corporate social responsibility in the hospitality industry. *International Journal of Contemporary Hospitality Management*, 28.
- Lee, J., & Park, C. (2022). Social media content, customer engagement and brand equity: US versus Korea. *Management Decision*.
- Lewis, R.D. (2000). When Cultures Collide: Managing Successfully Across Cultures. London: Nicholas Brealey Publishing.
- Liyanaarachchi, G. (2021). Managing privacy paradox through national culture: Reshaping online retailing strategy. *Journal of Retailing and Consumer Services*, 60.
- Lockhart, P., Shahani, N., & Bhanugopan, R. (2020). Do organisational culture and national culture mediate the relationship between high-performance human resource management practices and organisational citizenship behavior? *International Journal of Manpower*, 41.
- Nadeem, S., & Tayyab, Z. (2020). The Interplay between National Cultural Dimensions and Components of a Performance Management System: A Qualitative Study from Pakistan. *Canadian Journal of Administrative Sciences-revue Canadienne Des Sciences De L Administration* , 38(1).
- Majtán, M. et al. (2016). Management. Bratislava: Sprint two.
- Poláková, M. (2017). Vývoj teórie manažmentu. In Wojčák, E., et al. Management. Bratislava: Ofprint.
- Robbins, S, & Coulter, M. (2018). Management. London: Pearson.
- Sedlák, M. (2009). Management. Bratislava: Iura Edition.
- Schein, E. H. (1996). Culture: The Missing Concept in Organization Studies. *Administrative Science Quarterly*, 41.
- Schermerhorn, J.R. (2010). Management. John Wiley & Sons.
- Schefer Roveda, T., Baccin Brizolla, M.M., & Dias Lopes, L.F. (2022). Corporate Social Responsibility And The National Culture in Automotive Dealerships. *Revista de Gestão Social e Ambiental*, 16(22).
- Šajgalíková, H. & Copuš, L. (2020). Organizačná kultúra a jej motivačný potenciál. Bratislava, Ofprint.
- Šajgalíková, H., & Copuš, L. (2016). Vzťah národnej kultúry a vybraných funkcií manažmentu. Proceedings from the international conference Legacy of John Paul II., Ružomberok: Verbum.

- Stacho, Z., Stachová, K., & Raišienė, A.G. (2019). Change in approach to employee development in organizations on a regional scale. *Journal of International Studies*, 2.
- Taylor, F.W. (1895). A Piece-Rate System, 1895.
- Taylor, F.W. (1911). The principles of scientific management: Harper and Row.
- Taylor, F.W. (1911). Shop Management. New York, London, Harper & Brothers.
- Trice, H. & Beyer, J. (1993). The cultures of work organisations. Englewood Cliffs: Prentice Hall.
- Trompenaars, F., Hampden-Turner, C. (2004). Managing People Across Cultures. Chichester: Capstone.
- Weber, M. (1947). The Theory of Social and Economic Organization. New York: Oxford University Press.
- Westerman, J., Beekun, R., Stedham, Y., & Yamamura, J. (2007). Peers versus National Culture: An Analysis of Antecedents to Ethical Decision-Making. *Journal of Business Ethics*, 75(3).
- Witzel, M. (2012). A History of Management Thought. Oxon: Routledge.
- Wojčák, E. et al. (2017). Manažment. Bratislava, Ofprint.