THE CULTURE OF AN ORGANISATION– A CONDITION FOR SUCCESSFULNESS OF BUSINESS

Mr Dušan Djurović
Faculty of Mechanical Engineering
Cetinjski put bb., Podgorica
Montenegro

Prof. dr Miodrag Bulatović
Faculty of Mechanical Engineering
Cetinjski put bb., Podgorica
Montenegro

ABSTRACT
A system of quality in an organization signifies an existence of culture on a certain level, whereas changes in the system of quality signify certain cultural changes in the organization. The culture of quality is a factor within the culture of an organization and it means the implementation of TQM (Total Quality Management) in the culture of the organization. Creating a culture is a long-term and multidisciplinary process that should result in comparative advantages for the organization at hand: lower expenditure, higher savings, more productive work, increased reputation of the organization in its surroundings and success on the market, which taken together means increased successfulness of business. From that aspect, the culture of quality, as a part of the culture of an organization, represents an instrument in managing business outcomes. The culture of an organization appears, as a concept, at the beginning of the 20 th century. It was laid out by Henry Fayol and Frederick Taylor, the founders of the modern science of organization.
Key words: quality, the culture of quality, organization, successfulness of business.

1. THE NOTION AND EMERGENCE OF ORGANIZATION

Organization is a multidisciplinary activity that makes use of postulates of other scientific disciplines such as physics, mathematics, psychology, sociology, economics and others.

Rene Descartes (1596-1650), a French philosopher, mathematician and physicist, greatly contributed to establishing scientific methodology and defining the general principles of organization on the basis of which the principles of scientific organization have been formed (Vukan Dešić) [3]:

- *The principle or record keeping:* Only that which can be proved is considered to be true
- *The principle of analysis:* Construe a problem to its integral parts and study each part carefully
- *The principle of synthesis:* Analyze the elements gradually and connect them into broader complexes until the whole problem has been taken into account and solved
- *The principle of control:* Draw conclusions upon a detailed verification of assumptions

The origins of development of scientific organization stem from the work of Frederick Taylor (1856-1915) and Henry Fayol (1841-1925) who are considered to be pioneers of scientific organization of work. Following their work, intensive research on organization and the phenomenon of organization culture continues[5]. The fundamental scientific theories of organization are:

- The classical theory of organization according to Henry Fayol and Frederick Taylor – the founders of theories of organization;

- The neoclassical theory of organization whose elements are: motivation, informal organization, comunication and participation;
- The modern theory of organization, based on defined aims and values in the psycho-social, technical and technological realm

2. THE CULTURE OF ORGANIZATION

The culture of organization is inevitably defined by the notion of culture. One of the definitions of cultures is "a sum of moral, social and productive activities of a society". At the same time, culture is ".... a sum of education, knowledge, skills, ethnic sentiments, social behavior and conduct of an individual in relation to others". This sequence starts with the culture of an individual, broadens to the culture of an organization and subsequently to the culture of a group, region, nation and eventually to the gobal culture (fig.1) [4].
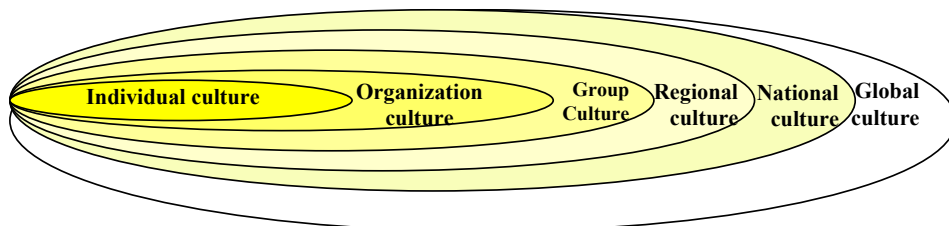

Figure 1. Levels of the culture of organization

In the literature there are many synonyms for the culture of an organization: corporate culture, culture of enterprises, societal culture, business culture, entrepreneurial culture and organizational culture. There are also many definitions of organizational culture, namely:
- The culture of an enterprise can be defined as a sum of joint norms, rules, values and attitudes held by the boards of enterprises, managers and employees;
- The culture of an organization is an institution founded in the past, which influences the thought processes and the manner of problem-solving in the present. It defines the future through stimulating or preventing organizational changes.

The basic factors of organizational culture of enterprises are: *staff, goals, strategies of enterprise development, activities, technology, age, size and ownership* of the enterprise.

The culture of a firm depends on a multitude of factors such as: how specific the branch is, its history and tradition, educational level of the employees and professionalism of the management. The behavior and attitude of top managers – leaders is of particular importance for the culture of an enterprise [2].

3.ASPECTS OF ORGANIZATIONAL CULTURE [4]

The culture of an organization is being built within the organization itself; however it gets manifested within as well as outside the organization. In order to raise the quality of external aspects to a desired level in public, it is crucial to build on the internal aspects of organizational culture.

3.1 Internal aspects of organizational culture

The system of values is part of the internal aspects, which portrays how to behave and what to strive towards.

The quality of the management system is a congregation of characteristics that enable the management to fulfill requests of all the interest groups

Resources that encompass: human potentials, suppliers and partners, information, infrastructure, the working environment, natural resources and financial resources.

Internal *communication and informing* – in function of business transparency have the task to motivate the employees [1].

3.2. The outer aspects of organizational culture

The quality of products and services is a sum of characteristics that enable them to satisfy the request of customers and users. Organizational culture with respect to quality, as an external aspect, requires a shaped and implemented system of collection, record keeping, processing, analysis and reporting of reclamations as well as timely informing of customers and users about activities and measures in the enterprise. Competent evaluation of quality, as an external aspect of organizational culture, is given by the market.

The social responsibility means the responsibility of the management for its actions based on ecological norms. The management is accountable for the realization of its actions before the public (Table 1).

Table 1. Monitoring social responsibility [4]

Responsibility towards community	Involvement in the community's work
- announcing information important for the society - ensuring the equality of conditions - influencing the local and national economy - relations with government representatives - ethical behavior	- involvment in education - support of public health and social surroundings - support of sport - volonteer work
Activities geared towards reduction and prevention of damage during work	**Reporting the activities that aid in protecting and sustaining the resources**
- health hazards and accidents - noise and noxious smells - danger (security) - pollution and emission of toxic substances	- the choice of transport - ecologic influence - reduction and disposal of waste - change of raw materials and inputs - usage of public services

Business ethics is a way of outlining, putting together, communicating and executing jobs in concomitant harmony with spiritual, sociological, biological and natural laws of men and the environment.

Transparency means clarity, overview and intelligibility and directly contributes to the culture of an organization through correct presentation of useful information necessary for decision-making.

Public relations and the process of communication have a function of public opinion. Public opinion is a judgment formed and supported by those that make part of the public and is related to public affairs.

4. THE CULTURE OF QUALITY IN AN ORGANIZATION

The culture of quality is a sum of principles and legal procedures used to integrate the basic concepts of TQM (Total Quality Management) into organizational culture. They include orientation based on management of quality principles during operations of an organization (focus on the customer – marketing orientation, leadership, involvement of employees, process approach, systemic approach to management, continuous improvement, making business decisions on the basis of facts, partner-like relations with suppliers) [5]. The values of organizational culture have four categories (Table 2) [4].

Table 2. Categories of values of organizational culture [4]

Rank	Categories of values	Characteristics
1.	Basic values	- deeply rooted in the principles of operations of an organization - often determine the way in which the organization works - show the originality of the organization in comparison to others
2.	Aspiring values	- needed in the organization in order to realize goals; however some of those characteristics are still missing - they could ensue by building new strategies or out of necessity
3.	Characteristics of allowed behavior	- maintaince social behavior that the employees have to satisfy
4.	Accidental values	- develop spontaneously without a strong influence from the management and become stronger with time

4.1. TQM – Total quality management

Total Quality Management –TQM is an approach to management that implies long-term orientation towards a continuous improvement of quality, which will satisfy expectations of the customer. At the same time TQM is both cause and consequence of the culture of quality and organization.

Several conditions are indispensable in order for TQM to function properly: *decisiveness of administration* to orient itself towards quality as a competitive advantage and to adopt TQM as a way of life in the organization, *active participation* of all employees on all organizational levels, *cooperation of suppliers* in order for the process to be fully efficacious, accent on *continuous education* and development of skills, *team work, collection of data, evaluation and feed-back* through which programs for improvement can be established.

4.2 The main obstacles on the road towards culture of quality in an organization

The main obstacles on the road towards culture of quality:

- *Short-term measures* – requests geared towards short-term financial results suppress the efforts for implementation of quality systems
- *Insecurity of the work position* – if due to introducing the quality systems the number of work positions needs to be cut, the reason for this measure should be explained to the employees
- *Badly designed jobs* - one of the first steps in implementing the culture of quality should be to include employees in designing their own work methods
- *The shortcomings of management* - If the top manager is not active in planning and implementing the programs of quality, the culture of quality will not develop.
- *No long-term commitment to quality*

There are techniques that proved to be successful in building the culture of quality: to show determination, to establish connection with the customer/user, participation of employees in solving problems of quality, to solve problems within the organization, team work, applying the language of quality, to promote the role of employees in business processes.

5. CONCLUSION

The quality of every organization reflects in its ability to correctly establish, synchronize and direct the elements of production towards realizing optimal results thereby rationally using all resources and above all the work of employees and production resources.

The culture of a firm depends on a multitude of factors such as: how specific the branch is, its history and tradition, educational level of the employees and professionalism of the management.

The main obstacles on the road towards culture of quality in an organization are: short-term measures, insecurity of the work position, badly designed jobs, the shortcomings of management, lack of long-term commitment to quality.

Business results should not be expected, but they should be managed. In that context the concept of organizational culture is in function of long-term successfulness of business. The culture of quality is compatible with the organizational culture with respect to their aims.

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