INCOMPATIBILITY OF MANAGEMENT STYLE WITH ORGANIZATIONAL CULTURE - ONE CAUSE OF BUSINESS MALFUNCTION

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ABSTRACT

Many times organizational culture is a factor neglected by many managers, that is not being considered in building the strategies they pursue. Also, the interaction between organizational culture and management style is often the source of company conflicts and malfunction. Their non-calibration leads to a decrease in the performance of the organization, which means a drop in stakeholders interest.

This paper aims to identify a way of calibrating the management style with the existing organizational culture in a company based on research of the literature referring to the aspects organizational cultures and criteria for grouping managerial styles.

It is proposed a way to calibrate the compatibility of the management style of the occupants of the management positions of an organization with the organizational culture using two matrices to assess this compatibility.

As a result of the research one can conclude that each managerial style has favorable and unfavorable features, so it can be efficient or not depending on the specificity of the organizational culture. That is why it is necessary to find correlations between managerial styles and the specific factors of organizational culture so that the company can be competitive on the market on which it operates.

KEYWORDS: *organizational culture, management style, company malfunction, organizational conflicts, compatibility matrices*

1. INTRODUCTION

Organisational culture is a factor that is neglected by many managers, who do not consider it when developing the strategies – you can tell a lot about the quality of the employees and of the leadership in a company this way. How can it be solved problems such as: employee turnover, absenteeism, taking a long time to execute tasks, failing to achieve objectives, behavioural ethics? What are their causes? Conflicts between hierarchical lines, power games, sabotaging the achievement of objectives are all sources of company inefficiency. How can it be solved? A manager is recruited based on the skills specified in their resumé, their references and prior experience, but do these guarantee their effectiveness? Did the other companies have the same type of organisational culture, the same operational structure, the same types of objectives as the current company? Of course not.

Management style represents the ways in which managers exercise their duties in terms of planning, organising, coaching and coordinating the activity and is mainly defined by the manager's attitude towards subordinates. Management style reflects how a manager thinks and acts (Moga, 2014).

Organisational culture can be defined by how the work is performed and how the people are treated in a company. It manifests itself through a set of values and rules controlling the relationships of employees inside the company, as well as their relationships outside the company (Jones, 2007).
The concept of organisational culture refers to all collective standards of thought, attitudes, values, beliefs and customs in an organisation. Within the cultural composition, we can distinguish certain visible elements, such as common behaviours and language, but most components are less visible (and harder to identify): standards for what it means to work well and conduct yourself properly, for ”how we do things around here”. Overall, there are two levels of organisational culture, the visible, exterior one and the deep, interior one. The exterior level can be noted in the dress code at work, in how the offices are arranged, in the behavioural model existing in the organisation, in how the company’s employees treat their clients. The deep, interior level of organisational culture consists in values that are the basis for the beliefs that influence behaviour and give rise to aspects of the exterior culture. These values are essential for the culture of a strong organisation and are often made public in official mission and purpose statements. These values are decided and maintained by the organisation’s managers and, over time, they take on a symbolic value, the symbols are transposed into metaphors specific to the organisation, into the specific language that uses these values to describe events, performance, clients and competition. Managers use all of these elements in their language in order to safeguard and maintain organisational culture and in order to contribute to maintaining and improving the company’s image.
The most important function of organisational structure is to control (coordinate, boost and motivate) the members inside the organisation. If the organisational structure can be used as an instrument for achieving a competitive advantage and promoting shareholders’ interests, organisational culture can be used as an instrument for increasing the organisation’s effectiveness (Jones, 2007).
Management style varies depending on the company, the management level, and even from one person to another. A good manager is one who can adapt their management style to fit various environments and employees. A person’s management style is modelled by several different factors, including the internal and external business environments and one’s opinion about the role that work plays in employees’ lives.
Values represent general criteria, standards or guiding principles that people use in order to determine which types of behaviours, situations, events, results are desirable or undesirable. There are two types of values (Jones, 2007) terminal and instrumental. Terminal values represent a desirable final state or the result that people are trying to achieve. Instrumental values represent a model of desirable behaviour in pursuing the achievement of results. We find terminal values in the company’s mission and the official objectives that state which values and ethical standards should be observed in the decision-making process. Thus, rules are behavioural styles or standards that are considered acceptable or typical of a certain group.
A strong organisational culture is one where the employees’ principles and values coincide with those of the company. An organisation with this kind of culture does not need control systems and bureaucratic systems. The people that make up a strong culture do not need additional urging; they already unconditionally accept the rules of the game and the organisation manages to mould a certain type of desirable employee.
The internal factors of the company that determine a management style include, without being limited to, corporate culture, policies, priorities, the staff’s skill level, motivation and management structures. In order to be efficient, a manager’s style and perspectives must be consistent with the organisational culture of the business. Their style must observe the policies and procedures established by the organisation and be able to achieve the company’s objectives. They are responsible for controlling an

efficient work team and must support the organisational beliefs within the respective team. A manager who fails to do this would probably be considered inefficient and removed from their position.
Forces that influence style (Tannenbaum & Schmidt, 1958):

- Leader (values, inclination to lead, trust in subordinates, self-confidence in uncertain situations)
- Subordinate (the need for independence, tolerance of ambiguity, involvement in problem solving, understanding and internalization of the organization's purpose)
- Condition (time of organization, group efficiency, time pressure, nature of problems)
- forces of the social environment.

Factors that influence management style (Handy, 1999):

- Leader (personality traits, degree of stress, age)
- Subordinates (expectations, age, education, self-evaluation of competence)
- Task (nature, complexity, importance, restrictions, error status)
- Context (position of power, relationship between leader and group, norms, technology, structures, variety of tasks and subordinates)

Older managerial theories tried to identify organisational culture based on the assumption that there was an optimum way to manage and a set of universally valid principles, applicable to all organisations, under any conditions. Modern theories emphasize the proper characteristics of each organisation and, in this case, focus more on the diagnosis than the recipe.
Below, we are going to examine each of the types of culture identified by Prof. Roger Harrison (1972).
Power Culture: can be found in small entrepreneurial organisations, in financial and commercial companies and in certain types of political organisations, trade unions, pressure groups with a single orientation. Control is exercised through key persons that are chosen especially for this, in accordance with a limited number of rules and procedures, with little bureaucracy, with decisions being made mostly as an effect of the balance of power, rather than based on procedure or logic. This kind of culture can be illustrated in the form of a concentric network, with a central power source, with power and influence lines radiating outward from the central source. Organisations with this type of culture respond quickly to the evolution of events, depending on the decisions of the people in the centre, and their succession becomes a delicate subject. These organisations attract power-hungry individuals that don't care much about security. Resources represent the major basis of the power in this culture, with just a few elements of personal power in the centre of the network. The organisation's size represents a problem for this kind of culture, since it's difficult to connect several organisations: the success of large enterprises is possible through the creation of a new organisations, with a high level of autonomy, but maintaining financial control. These cultures leave control to individuals. Performance is assessed based on results, showing tolerance with regards to the means that were used. This culture is characterized by a harsh, rough atmosphere, where success is accompanied by low morale and constant employee turnover due to individual failures or leaving the competitive environment. Such cultures are unpleasant, but very efficient.
Role Culture: is characterized by strong specialized functional sectors. For example, the financial sector and the marketing sector represent the pillars of the company and are coordinated at the top. This is typical of classical companies, known for bureaucracy. There is a high level of formalization and standardization, with the activities being managed through very precise rules and procedures. Each position is well defined, with the associated powers and means of communication, the employees are selected based on fulfilling their roles, with well-defined criteria being in place. Personal power is not accepted, and professional power is only accepted within the confines of one's own position. In this type of culture, hierarchical position represents the main source of power. In this case, efficiency depends on the rationality of the allocation of resources and responsibilities, being

successful in a stable environment, where the market is controllable and constant and products' life cycles are long. Organisations with this type of culture are found where economies of scale are more important than flexibility and where technical expertise and in-depth specialization take precedence over inventiveness or product cost. For individuals, this type of culture offers security and the favourable opportunity to obtain a professional specialization. Performance at the level of the existing standards is adequately remunerated and proper advancement is ensured. This type of culture is not a good fit for ambitions and power-oriented individuals, who want to have control over their own work and are more interested in results than in methods.

Task Culture: this type of culture is oriented towards carrying out a project or a more complex personal task. Its structure can be represented through a rectangular network, where some threads are thicker and more resistant than others, with the power and influence being located in the knots. The matrix organisation is a structural form that corresponds to this type of culture. Emphasis is placed on the execution of tasks, ensuring the proper resources and the proper people for each level of the organisation. This is a team culture, where the results of the group take precedence over individual objectives. The project teams are established for precise purposes and can be reorganised, abandoned or maintained. The organisation reacts quickly because the decision-makers are included in the group. This type of culture offers a high level of autonomy to its members. Assessments are carried out based on results, not based on age or position. This type of culture is important when the organisation must adapt quickly to the market and environment conditions, where the product's life cycle on the market is very short and response time is important. The control of this organisation is difficult, with the main task being project distribution and resource allocation, maybe some small control over work procedures. When there are not enough resources, managers tend to control both resources and results, in which case this type of culture tends to become a Role or Power Culture. Most managers, especially junior and middle managers, tend to work in a Task Culture, that emphasizes the group, the power of the expert and rewarding achieved results.

Person Culture: In this type of culture, the purpose of the organisation is to serve individuals, promoting their interests, with no global objective. Its structure is best described as a "swarm of particles". Managerial hierarchies and control mechanisms are difficult to enforce, with the condition being mutual consent. Individuals consider that the organization is subordinate to them and that its existence is due to them. Individuals can leave the organisation but can never be excluded from the organisation. Legal practices, architect associations and consultancy companies frequently show this orientation. In the beginning, a cooperative can tend towards a Person Culture as an organisational form, but, as it develops, it shall become a Task, or often a Person or Role Culture. Specialists within organisations, such as software specialists, consultants, architects, university professors are usually less attached to the organisation and consider it an environment where they can perform their activity, while possibly providing a small benefit to the manager. In order to manage these persons, managers must rely on their personal power, but these specialists are not impressed by managers' personalities. Individuals need resources in this type of culture as well, and the person controlling these resources also has a certain control over individuals.

The interaction between organisational culture and management style mostly represents the source of company conflicts and dysfunction. The failure to calibrate them leads to a decrease in the organisation's efficiency and, therefore, to a failure to promote the shareholders' interests.

LEADERS are responsible for direct human management and are mostly present at the base of the organisation (imagining the organisational structure as a pyramid). Their essential role is that of direct human influence within the activity groups, meaning to create the energy necessary for the performance of the activity. The leader is closely connected to the group's activity: both the formal and the informal leader are unimaginable outside their direct action inside the group.

MANAGERS are responsible for the management, in the sense of administration, of the structures and the direction of the energy within the structure.
They manage organisational structures and, implicitly, activities and people associated with them, being present mostly in the intermediate levels of the organisation, where they combine execution activities and management acts.
COMMANDERS are persons who run the organisation as a whole. Symbolically and, often, in practice, this concept only works in the singular, although it also includes the management team. The commander is the person governing the mission of the organisation, keeping watch over the border conditions, over the correlations between the organisation and the external environment.
The three roles are NOT mutually exclusive.
Management styles have been grouped based on a series of criteria, with regard to the following:

- attitude towards responsibility;
- authority exercised by the manager;
- initiating structure and consideration;
- concern with regard to production and concern with regard to people;
- concern with regard to production, concern with regard to people and concern with regard to efficiency;
- type of motives, communication characteristics, the nature of the cooperation and the means of making decisions.

ATTITUDE TOWARDS RESPONSIBILITY – based on this criterion, managers' style of work can be classified as follows:

- REPULSIVE style;
- DOMINANT style;
- INDIFFERENT style;

REPULSIVE STYLE: is characterized by the tendency to refuse promotions to management positions. In addition, these managers show an exaggerated respect for subordinates' independence. In exceptional situations, they adopt rash solutions, that are not very efficient. Repulsive style managers generally suffer from an inferiority complex, i.e. a lack of self-confidence. Their desire to avoid responsibilities explains their refusal to occupy management positions, as well as their rash decision-making when they are forced by circumstances to occupy management positions. By adopting decisions quickly, even to the detriment of their level of justification, repulsive style managers reduce the tension caused by the state of uncertainty existing until a decision is made.
DOMINANT STYLE: is shown by managers characterized through a behaviour oriented towards getting power. Persons with this style are dynamic, active and generate a climate rife with tension and conflicts. Managers with a dominant style generally have a good opinion of themselves, a lot of self-confidence and a firm belief that management positions are rightfully theirs, that they are the only ones capable of performing the tasks associated with these positions in an exemplary fashion. Their belief in their own superiority is also the source of the tendency of these managers to maintain their own opinion and to impose it on others when making decisions. In case of failure, managers with this style will generally look for explanations outside their person. Thus, they will try to downplay their own responsibility for failures and place the entire responsibility on subordinates or co-decision-makers. The fact that they avoid admitting responsibility in case of failure reduces the chances of these managers to form a realistic image of the events and to identify the corrective measures necessary in the future. Managers with a dominant style have little chance of improving their activity through learning. They consider themselves superior and even perfect and cannot accept the idea that they could have made a mistake. Therefore, they won't be concerned with identifying the negative aspects of their own management style. At the same time, their high level of self-

confidence also explains their tendency to act firmly even in cases of uncertainty and to persevere in achieving their objectives.

INDIFFERENT STYLE: These managers emphasize their lack of interest in their own advancement up the hierarchy. Persons with this style don't especially seek to occupy management positions, but once they are promoted to such positions, they have every chance of being efficient managers. The efficiency of managers with this kind of style is the result of their orientation towards moderation and their efforts to fulfil their management duties as conscientiously as they do their other duties. Managers with an indifferent style have the ability to form a realistic image of themselves and others. Such managers generally maintain a balance between the assessment of the positive and negative traits of their person, and considering their subordinates equals. The best managers are chosen from this category.

You can see that each style has both positive and negative traits. Therefore, one can conclude that each style (repulsive, dominant and indifferent) can be efficient or not depending on the specific situation.

MANAGEMENT STYLE GROUPS The system for the classification of management styles into groups was developed by Lewin, Lippitt and White (1939).

This classification system (based on style groups) includes:

- the AUTOCRATIC style
- the DEMOCRATIC style
- the LAISSER-FAIRE style

AUTOCRATIC style: is characteristic of managers that refuse to accept the participation of their subordinates in the performance of their managerial duties. Autocratic style managers unilaterally adopt decisions with regard to objectives and means of achieving such objectives. They are concerned with the performance of the tasks, with controlling how the assigned tasks are executed. These managers have unlimited trust in organisational measures towards the achievement of objectives. In terms of its consequences, an autocratic style will trigger the unexpressed resistance of subordinates. This kind of management style reduces subordinates' possibilities of professional development. The limitation of these possibilities is a result of the fact the subordinates' involvement in decision making is limited or even inexistent. The impossibility of participating in decision-making reduces the sense of responsibility and hinders creative interest.

PARTICIPATIVE: This style paves the way for an exaggeration of the critical attitude or for the loss of the professional interest (professional alienation) of subordinates. Likewise, the exaggeration of control shall result in subordinates being disoriented in the absence of the manager, which shall in turn result in a need for control. The drop in performance in the absence of the manager will make the manager want to intensify control. Thus, by extending the time dedicated to control, managers with an autocratic style simultaneously reduce the time dedicated to creation, innovation.

The dysfunctional effects of exaggerated control are:

- the shift of the subordinates' interest from the objective that must be achieved to compliance with the rules;
- the creation of an increased need to be in control.

The mechanism that explains this situation is based on Thomas' theorem, according to which if men define situations as real, they are real in their consequences.

DEMOCRATIC STYLE: is characteristic of managers that ensure the participation of their subordinates in the management process. Managers with this style collaborate with their subordinates both when setting objectives and when assigning tasks. In terms of its consequences, a democratic style results in a decrease in tension and conflicts and a strong participation. The group's performance

is not depending by the presence or absence of the manager. The orientation of managers with this kind of style towards reduced control generates reserves for innovative work.

LAISSEZ-FAIRE style: is characterized through the avoidance of any intervention in the organisation and management of the group, placing emphasis on organisation and spontaneous management. The presence or absence of the manager does not affect performance. The difference between the laissez-faire and democratic styles consists in the state of the morale. In the case of the democratic manager, morale is high because the manager supports the group. In the case of the laissez-faire manager, morale is somewhat lower because the manager does not support the group in the performance of their tasks.

By investigating the academic literature, by reference to the types of cultures identified by Prof. Roger Harrison (1972), i.e. power, role, task and person cultures and to two criteria for the classification of management styles: attitude towards responsibility and the authority exercised by the manager – the Lewin, Lippitt & White (1939) classification system, I propose two matrixes for the assessment of the compatibility of the management style with the existing type of organisational culture. LEADER: direct human management; MANAGER: management, in the sense of administration, of the structures; CHIEF: overall management of the organisation.

Table 1. COMPATIBILITY MATRIX (management style & organizational culture type)

attitude towards responsibility	**POWER CULTURE**	**ROLE TYPE CULTURE**	**TASK CULTURE**	**PERSONAE CULTURE**
The REPULSIVE management style	*LEADER*	*COMMANDER*	*LEADER*	X
The DOMINANT management style	*COMMANDER*	*LEADER*	X	*MANAGER*
The INDIFERENT management style	*LEADER*	*MANAGER*	*MANAGER*	*LEADER*

Table 2. COMPATIBILITY MATRIX(management style & organizational culture type)

the authority exercised	**POWER CULTURE**	**ROLE TYPE CULTURE**	**TASK CULTURE**	**PERSONAE CULTURE**
THE (bossy) AUTHORITATIVE management style	*COMMANDER*	*MANAGER*	*LEADER*	X
THE PARTICIPATORY management style	*MANAGER*	*LEADER*	X	*LEADER*
THE DEMOCRATIC management style	X	X	*MANAGER*	*MANAGER*

THE STANDARD (PERMISSIVE) management style	*LEADER*	*COMMANDER*	*MANAGER*	*LEADER*

You can see that each style has both positive and negative traits. Therefore, one can conclude that each style (repulsive, dominant and indifferent) can be efficient or not depending on the specific situation. Thus, it's much less likely for dominant style managers to be efficient in extreme situations, due to their tendency to adopt firm decisions and due to their ambition to strive to achieve results. There's no way that repulsive style managers will be efficient in situations of panic, because they tend to hurry (they're rash) when making decisions (to the detriment of the quality of the action) and they don't tend to persevere in achieving results, do they don't meet the requirements imposed by critical situations.

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