

CORPORATE CULTURE IN MODERN ORGANIZATIONS

The materials of the corporate culture of the companies of the USA and European countries have been analyzed, and the modern trends of formation of corporate culture in business organizations have been examined in this work.

At first, it is necessary to understand what corporate culture is, and what role it plays in business organizations.

There are a lot of definitions of the term. Here is one of them:

Corporate culture is a set of values and beliefs shared by the employees of the company, which predetermine their behavior and character of activity of an organization. The components of corporate culture are:

- the accepted system of leadership;
- styles of conflict resolution;
- functioning communication system;
- position of the individual in the organization;
- adopted symbols: the slogans, organizational taboos, rituals.

The main purpose of corporate culture lies in the fact that it is an effective instrument of development and contributes to the achievement of the common goal and helps the company to go forward. There is an opinion that its role is clearly underestimated nowadays. In fact, it contributes to the self-development of the organization and under equal conditions gives an advantage over the competition. In many respects, the corporate culture is the cause of the failure of innovations in one company, although the same innovations have been successfully introduced in another company.

The most important parts of any company are common values, traditions, informal relations and style and methods of work of the organization.

Culture of the organization is a powerful strategic tool for modern managers of this organization. It allows them to set common goals, to help the company to go forward, to facilitate productive communication in the team, as well as with customers and partners. They create their own culture for each organization so that all employees understand and adhere to it. Corpo-

rate culture identifies each market player, increases efficiency and strengthens the stability of the company, shapes the style of management team.

Experience shows that corporate culture is an integral component of the company; it requires a deep level of development and the various kinds of investments. The company, not companies investments in its development, occupies the most advantageous position in its segment and is not only able to attract the best specialists of the labour market, but also to keep them.

So, in order to conduct this study, we need to compare corporate culture of the European countries and corporate culture of the United States of America.

The concept of «corporate culture» has emerged in the United States. The direct dependence of productivity, increase of efficiency of production on human relations within the company were found right there. Values became the core of the corporate culture of the organization. It is very important that these values reflect the personal views of all employees of the Corporation.

Corporate culture is the basis of development of any successful company. Corporate universities appeared with the development of competition in the West. Therefore, for each Corporation it was extremely important to identify the system of personal and collective values which are accepted and shared by all members of the organization. In the first place are such concepts as: participation, self-determination, the team, the revelation of the personality, creative work.

Corporate University as an organization takes its origins in corporate America of the beginning of the 20th century, when the company General Motors created an «Institute of General Motors» for the training of their employees in 1927. The corporate University worked with the budget of about US \$100 million, 99 units in 21 countries, and permanent staff of 400 employees. One oldest University is Hamburger University, which appeared in the company McDonald's in 1961. It was created in order to train staff of McDonald's restaurants various aspects of business management.

Currently, the corporate University is a widely recognized and well-established practice in many major American companies such as IBM, GE, McDonald's. Also European companies such as Siemens Management Learning, DaimlerChrysler (Germany), Heineken (the Netherlands) assume corporate University as «the place for the exchange of knowledge and competencies» or a «link between the transfer of knowledge and their creation».

Let's discuss a German company as an example. An employee of Nutzwirk may be fired if he was caught on the fact that he complains about the life on the workplace. In the contract, which the employees of Nutzwirk fill when they apply for a job, there is a point: «...the complaints in Nutzwirk are banned...except for those cases, when they are accompanied by constructive proposals for improvement of the situation». Negative energy impacts

not only the mood of the worker, but also labour productivity. «If you want to work in your company it is interesting and fun, and if you want to implement a truly significant goal, then you are unlikely to achieve this if your employees are always in a bad mood. In this case, they just waste time, which belongs to the company», argues the head of the company.

To summarize, every country has its own corporate culture. In America it is dominated by a culture of success; in the Europe — by agreement.

But every corporate culture is based on the common principles:

- As a rule, the terms of references of each specialist are clearly defined in the job description, the company expects from the employee his work according to the rules, for which he is financially rewarded;

- Almost in every Western company there are requirements to the dress code;

- Corporate events, trainings, seminars on maintaining team spirit and on the development of inimitability, the values of the culture of the company are necessary;

- Great attention is paid to communication system and language of communication in a team;

- Realizing time, the attitude to it and its use;

- Relationships between people, values and norms;

- Motivation.

There can be cited a lot of examples, including the history of how through discipline and entrepreneurship, Apple and Microsoft were able to come all the way from companies from the garage up to the present provisions. Also, the following companies have achieved success with the help of well-balanced corporate culture and sound psychology of management: Digital Equipment, Emerson Electric, Hewlett-Packard, IBM, Procter & Gamble, Texas Instruments, Eastman Kodak, Caterpillar Tractor, Dana Corporation, Minnesota Mining & Manufacturing, Delta Airlines, Marriott, McDonald's, Boeing.

Every society has its own values, according to which this or that company develops. American culture is first of all referred to as «rod» culture. This culture has remained viable for about 300 years.

Historically, the United States emerged as the country where citizens were united by the desire for unlimited freedom. Today, the American economy remains one of the least subjected to regulation by the state as well.

The logic of American capitalism is extremely simple: on the one hand, «a large quantity of the product and its easy accessibility are sufficient grounds of expediency of its consumption»; on the other, the availability of consumer demand leaves no doubt as to the need to satisfy it.

Americans are individualistic, so most of them believe that there should be «doing their thing». The idea of «American dream» is simple — if you

work hard and play by the rules, be sure that you will get a chance to «climb high». Work for Americans is the source of self-assertion and independence. From the very beginning of Protestantism it was «a religion of work». It is absolutely understandable why in the relatively short period the country has achieved unprecedented prosperity in the sphere of economy.

Corporate culture is responsible for the creation of a common spirit in the organization. In other words, «the presence of a good General spirit of the organization means that the result at the «output» is more than the sum of efforts «at the entrance».

Today, there is a tendency when employees move from one company to another, changing profession. Managers begin to understand that it is necessary to manage such phenomena as trust and authority. The structure of the organization, the relations within it are becoming more flexible.

The process of training the corporate culture can be an exercise in corporate universities. They act as a system of in-house personnel training inseparably linked with the development strategies of the Corporation. Such universities for the first time appeared in the 1960s of the last century abroad. At the present time about 2000 of large corporations all over the world have their universities, including some Russian corporations.

Summarizing some results, it should be noted that the specific features of the corporate cultures of the EU and the United States depend mostly on the significant differences between cultural values historically developed in Europe and America. In recent years in the European public consciousness there strengthened the idea according to which the economy is one of the elements of social life. In fact, this representation follows from European traditions of interaction between the economy and society, employers and the state. Social, political and economic institutions in Europe are equally important and necessary; therefore, the basis of their organization is formed on the similar principles.