Identification and Role of Organizational Culture in Small Enterprises

Abstract: The increased awareness of the meaning of qualitative parameters and unmeasurable features of contemporary organizations caused that the role of organizational culture as essential force forming the potential and possibilities of functioning of contemporary enterprises is more and more often perceived as vital. This dimension of organization is also of great significance in small companies whose cultural environment is strongly determined by qualitative features of these entities. The formation of organizational culture allows realizing certain functions related to flexibility of functioning and ability to realize assigned organizational aims. Taking this into account, identification and evaluation of the role of organizational culture in small enterprises was set as the aim of this article. Empirical research conducted with the use of survey research method in 4 small enterprises on the sample of 4 owners and 26 employees of these entities were devoted to realize the aim of the work. Types of organizational cultures preferred by the respondents were identified in the research process, afterwards, organizational cultures of the researched companies were subject to identification. In further part the degree of realization of particular functions by organizational culture was analyzed. The author’s research tools inspired by classic theoretical considerations on organizational culture were used in the research.

Keywords: organizational culture, small and medium-sized enterprises, types of organizational culture, the role of organizational culture

1. Introduction

According to theorists and many practitioners of management, organizational culture has a significant influence on the functioning of the

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contemporary organization. In small enterprises it can be strongly determined not only by the owner or his or her family but also, due to a small number of workers, by individual employees, and even by external factors such as company suppliers or customers. The character of organizational culture affects the social atmosphere of the organization, forms the potential and ability to act by small companies. Bearing that in mind, the aim of this article is to identify and assess the role of organizational culture in small companies.

Empirical research conducted with the use of questionnaire research method in 4 small enterprises on the sample of 4 owners and 26 employees of these entities was applied to realize the aim of the work. The types of organizational cultures that were preferred by the respondents were determined in the research process, next, there were identified organizational cultures of the researched companies. In the next section the article analyzes the distinctiveness of particular elements of organizational culture and realization of particular functions by organizational culture. Author’s research tools inspired by classic theoretical considerations on organizational culture were used in the research.

2. Types and functions of organizational culture in organizations, with particular consideration of small enterprises

The interest in organizational culture as an important element of each organization or even the concept used in management processes arises from the development of awareness that contemporary companies are social forms which employ the whole human being, not only their professional skills. Currently, it is viewed not only as a mechanism integrating employees but also as essential strategic resources with economic dimension (Aniszewska, 2007, p. 9).

The problem of describing and analyzing the functions of organizational culture concerns also the sector of SME\(^1\), including small companies. These entities are determined by limited internal resources, including a small number of workers. They have certain qualitative features which distinguish them from other organizations, especially big companies (see more, e.g.: Piasecki, 2001, p. 69-71; Łuczka, 2001, p. 15-20; Lachiewicz and Załęczny, 2003, p. 9-12;

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\(^1\) defined on the basis of certain qualitative and/or quantitative criteria, e.g. set forth in the Act on Freedom of Economic Activity (2004) and/or in accordance with of the directive of the European Commission (Definition of small and medium-sized companies, 2004).
Matejun, 2008, p. 8-12), and play a significant social and economic role in Poland, the European Union and other countries that use market economy (see e.g. Safin, 2008, p. 50-61). Small enterprises have many important features such as strong position, independence, and even the owner’s freedom of decision, limited resources, including the staff potential, simple organizational structures, direct company relations, high porousness and natural flexibility of action, which may influence the specificity of organizational culture.

In organization sociology and psychology culture is usually understood as a descriptive category that is not subject to evaluation (Robbins, 2004, p. 430). R.W. Griffin expresses the same view (2002, p. 178) according to which organizational culture is the set of values, beliefs, behaviors, traditions and attitudes which allows members of an organization to understand the organization’s mission, how it works and what it considers important. According to G. Morgan, organizational culture consists in characteristic abilities and inabilities which as a result of evolution become features determining functioning of the organization due to the fact that they are built in the attitudes and behaviors of its members. (Morgan, 2002, p. 8).

The valuating approach to culture is predominant in the theory of organization and management. Organizational culture of a company is frequently identified with the effectiveness of its organizational solutions (Sikorski 2002, p. 3). The diversity of approaches towards organizational culture in contemporary companies is shown in Table 1.

Table 1. Selected approaches towards observing organizational culture in contemporary companies

<table>
<thead>
<tr>
<th>Interpretation of organizational culture</th>
<th>Literature</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational culture as the organization itself</td>
<td>Zbiegie- Maciąg (1999, p. 13); Sikorski (2002, p. 2).</td>
<td>Organizational culture is a certain system of knowledge whose interpretation decides about its members’ sense of identity.</td>
</tr>
<tr>
<td>Organizational culture as one of cultural circles</td>
<td>Morgan (2002, p. 136); Nogalski and Ronkowski (2007, p. 38); Strategor (2005, p. 508).</td>
<td>Organizations are mini-societies with their own individual standards, cultures and subcultures. However, the organization’s culture cannot be understood without reference to the culture of a region, country or countries in which it conducts its activity and without reference to the national culture.</td>
</tr>
</tbody>
</table>
Organizational culture as social “game rules”  
Deshpande and Parasurman (1986, p. 28-37); Sułkowski (2008, p. 6).  
Organizational culture consists of unwritten, frequently subconscious rules which fill the gap between this that is written and this that actually takes place in an organization.

Organizational culture as organization’s identity  
Organizational culture understood as collective actions of an organization that have certain features and specific logic which distinguish it from others and constitute the source of identification for its members. This is an “identity” of a particular company or office. It is omnipresent in a company and affects company’s environment.

Organizational culture as organization’s philosophy  
Schein (1992, p. 9).  
Organizational culture as all fundamental assumptions devised, discovered or created by a group while learning how to adopt to environment and integrate internally.

Organizational culture as system accepted basic meanings and values  
Organizational culture is a network of meanings represented by symbols. Human being creates such a network in order to understand the surrounding physical and social world, in order to understand other people and him or herself. Organizational culture means programming minds of members of a given society and organizations that function in this society, therefore it is a set of organizational values, norms and rules instilled by a group.

Organizational culture as models and standards of behavior  
Jacques (1951, p. 251); Czerska (2003, p. 11).  
Organizational culture is a customary and traditional way of thinking shared to some degree, smaller or larger, by all members of an organization, which must be learned and at least partially accepted by new members if they are to be accepted in the company.

Source: authors’ own analysis on the basis of (Sułkowski, 2002, p. 54-47).

A. Glińska-Neweś notices three general approaches towards organizational culture in the management theory: the symbolic and interpretive approach, identifying organizational culture with the whole organization or treating it as only one of the elements or even resources of the organization (Glińska-Neweś,
This diversified perception of organizational culture is continued in the process of creating typologies and systematics of this notion based on various features considered in a given case as essential, whose list is basically unlimited. The relevant literature proposes three types of culture described by one, two or more dimensions (see more: Stańczyk, 2008, p 82).

One-dimensional model is presented inter alia by L. Zbiegień-Maciąg (1999, p 52-63) who specifies organizational cultures such as: positive and negative, introvertic and extrovertic, conservative and innovative, male and female, bureaucratic and pragmatic, exclusive and egalitarian. G. Hofstede and G.J. Hofstede (2007, p. 53-252) developed the typology of organizational cultures, identifying types of culture on the basis of such criteria as: power distance, individualism and collectivism, masculinity and femininity, uncertainty avoidance, long-term and short-term orientation. The classification according to A. Trompenaars and Ch. Hampden-Turner (2000, p. 20-21) distinguishes between three types of organizational cultures on the basis of continuum of the following features: universalism and particularism, analysis and synthesis, individualism and collectivism, internal- and external control, sequential and synchronous time, achieved status and ascribed status, democracy and hierarchical structure.

Two-dimensional models that differentiate four types of cultures are very popular multi-dimensional models. In accordance with research conducted by R. Harrison (1972, p. 119-128) there are four types of organizational cultures depending on their division into: power, role, task and person. Another perception of types of organizational cultures is represented by T.B. Deal and A.A. Kennedy (1982). On the basis of the criteria of the degree of risk associated with a company’s activities and the speed of feedback from the market they identified four culture types: work-hard play hard culture, tough-guy macho culture, process culture, bet-the-company-culture.

There is also a very interesting typology of K.S. Cameron and R.E. Quinn (2003, p. 41-85) who develop so-called competing values model and assume company efficiency as a vital dimension for the description of organizational culture. This leads to achieving the configuration of four organizational culture types: clan, adhocracy, market and hierarchy.

Cz. Sikorski (2002, p. 30-154) classifies organizational culture types with respect to the organization members’ attitude towards cultural dissonance. Intersecting these two scales, he obtained four organizational culture types: domination, adaptation, cooperation and competitiveness culture. This model may be applied in the description of organizational culture of small companies. However, it is necessary to take into consideration certain characteristic features of these entities, which is shown in Table 2 below.
Table 2. Types of organizational cultures according to Cz. Sikorskiego, taking into consideration the specificity of small companies

<table>
<thead>
<tr>
<th>Culture type</th>
<th>Characteristics</th>
<th>Specific context of small companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooperation culture</td>
<td>This culture focuses on the quality of bonds and dialogue between people and is characterized by acceptance of organizational and cultural pluralism. In this culture conflicts and competitiveness are avoided. Organization’s members identify themselves with the company, openness to contact with environment is moderate, the belief that they must be controlled from the point of view of their own culture is predominant.</td>
<td>In small companies this model should be extended in cooperation with environment in order to take advantage of occurring market opportunities. High natural flexibility of small business entities may be of great help. A company owner should act mainly as an integrator.</td>
</tr>
<tr>
<td>Competition culture</td>
<td>This culture stresses the role played by people and its members believe that it’s necessary to prove their superiority. There is a strong identification with a team resulting from the need to participation and team achievements. This culture boosts, maintains and constructively uses conflicts.</td>
<td>In small companies this culture may produce some effects, particularly in creative and innovative areas, however, using it when there is a small number of employees may lead to unproductive behavior. It will be important for the company owner to manage the conflict.</td>
</tr>
<tr>
<td>Adaptation culture</td>
<td>Adaptation culture is characterized by high degree of awareness of cultural standards and subordination to formal objectives of the organization with permissivism and individual orientation at achievements in connection with objective assessment of own needs and goals and needs and goals of other people. Adaptation culture is future-oriented with high tolerance of uncertainty.</td>
<td>This type of culture may be particularly useful in small companies because it supports dynamic adjustment to changeable conditions of environment. Due to this fact it is possible to take advantage of market opportunities, connected e.g. with activity on niche markets, launching new products or raising aid funds. The owner should play the role of a leader encouraging to accept uncertainty.</td>
</tr>
<tr>
<td>Domination culture</td>
<td>In domination culture there is a strong need for safety and avoiding uncertainty. The organization with domination culture has a collective character and concentrates on roles played by people, it is past-oriented. Organization members in this culture are convinced of their “natural” advantage.</td>
<td>Because it avoids uncertainty it is particularly unfavorable for small companies. The conviction that organization members have natural advantage may limit entrepreneurial behavior and focus actions on internal matters. The culture may be used in income substitution small business with low developing potential.</td>
</tr>
</tbody>
</table>

Source: authors’ own analysis on the basis of (Sułkowski Ł, 2008).
There is certain preference of homogeneous types of organizational cultures in the presented models, which is very rare in real life. In organizations there are usually various or heterogeneous types of culture. However, it is easier to prepare the restructuring program if you know the dominating type of culture in an organization or its part. Using the typologies of organizational culture is an indispensable aid in the process of conscious forming and taking organizational culture into account in management (Stańczyk 2008, p.7).

The reasons why it is worth creating cultural systems in organization result from the functions culture plays in an organization. In his clinical model, E.H. Schein distinguished two groups of functions of organizational culture: concerning problems connected with external adaptation and problems related to the internal functioning of an organization (Schein 1992, p. 50). The scope of both groups is presented in Table 3.

<table>
<thead>
<tr>
<th>External functions</th>
<th>Internal functions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. It enables understanding the organization’s mission and strategy and identifying basic objectives of the organization.</td>
<td>1. It offers common language and notions.</td>
</tr>
<tr>
<td>2. It enables members to integrate as it “offers” consensus on objectives which arise from the mission and strategy of the organization.</td>
<td>2. It defines the group boundaries and criteria for acceptance or rejection.</td>
</tr>
<tr>
<td>3. It enables integration with the use of means adopted for achieving company’s objectives and increased participants’ involvement. Culture offers agreement concerning how and with the use of which means it is possible and necessary to act.</td>
<td>3. It determines principles of power and criteria of status.</td>
</tr>
<tr>
<td>4. It offers its participants homogeneous measurement and assessment criteria of results. Thanks to them individuals and groups are able to agree whether objectives were met, and if yes, to what degree.</td>
<td>4. It satisfies needs for safety and affiliation of group members.</td>
</tr>
<tr>
<td>5. It enables improvement of means and reformulation of objectives if change is necessary. Due to culture participants are able to develop together a strategy of change and ways and directions for the organization’s improvement.</td>
<td>5. It includes criteria for rewarding and punishing.</td>
</tr>
<tr>
<td>6. It offers common ideology and interpretation and explanation of unforeseen phenomena.</td>
<td>6. It offers common ideology and interpretation and explanation of unforeseen phenomena.</td>
</tr>
</tbody>
</table>

Source: authors’ own analysis on the basis of (Schein, 1992, p. 50).

According to E.H. Scheina, it is particularly important to for the organization members to reach an agreement concerning issues that are more or less strategic in order to realize external functions. The leader, who is usually the owner in the case of small companies, is the most important person in
reaching the agreement. The main aim of both external and internal functions is to limit uncertainty resulting from functioning in changeable environment and internal uncertainty. Therefore, this role is particularly important in small business entities as it enables a small crew to integrate around the most important issues for the organization, simultaneously supporting entrepreneurship and innovation, and allows taking advantage of opportunities occurring in environment.

L. Zbiegień-Maciąg (1999, p. 33-38) and Cz. Sikorski (2002, p. 15-17) present another model of functions of organizational culture. They enumerate integrating, perceptive (cognitive and integrating) and adaptive functions. As a result, organizational culture influences not only the formation of internal relations in the company but also the external image of the company and relations with stakeholders. It is believed that the company, from the very beginning, should make an effort to distinguish itself positively in its environment, have positive features and vivid identity (Sudoł 2006, p. 320), which, in long-term perspective, is conditioned by proper formation of organizational culture.

3. Methodology of conducted empirical research and profile of respondents

The empirical research conducted with the use of survey research method in four small companies in Rybnik, Silesian Voivodeship, was devoted to realize the aim of the work. The respondents were the owners of these business entities and their employees present in the companies while conducting the research. The research methodology was the questionnaires distributed directly among the respondents, and the research tools were two enquiry forms – one for the entrepreneurs and the other for the persons employed in the surveyed companies.

The selection of companies was made purposefully, focusing on the companies which had been operating on the market for a long time, managed to establish themselves on the market and were perceived as efficiently operating enterprises. All examined companies operate as natural persons engaged in business activity. They were founded in 1990-1993 and currently operate in tertiary sector (75%) and commercial sector (25%), mainly in the local market (75%). When it comes to their size, the entities meet the quantitative criteria for a small company in accordance with the Act on Freedom of Economic Activity (2004) and in accordance with of the directive of the European Commission (Definition of small and medium-sized companies, 2004). The criteria were
verified during short interviews with the owners.

During the research 4 enquiry forms were handed out to the company owners and all of them were returned properly filled in. Whereas, the employees received 28 forms, all were returned but after their verification, 2 were rejected due to gross lack of answers and mistakes, therefore, finally 26 enquiry forms were accepted for the analysis.

In the owners group there were 2 women and 2 men. Three persons with higher education in subjects such as: psychology, finance and accounting, Polish philology. One of the respondents had vocational secondary education.

In the employees group there were 26 respondents. There were slightly more women (62%), for the most part, there were persons at the age of 20 – 39 (in total 70% of the persons surveyed). The straight majority had at least secondary education (97%). The profile of respondents was presented in Table 4.

Table 4. The characteristics of respondents from the group of employees participating in the survey

<table>
<thead>
<tr>
<th>Gender:</th>
<th>N</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Woman</td>
<td>16</td>
<td>62%</td>
</tr>
<tr>
<td>Man</td>
<td>10</td>
<td>38%</td>
</tr>
<tr>
<td>Age:</td>
<td>N</td>
<td>Percentage</td>
</tr>
<tr>
<td>below 20</td>
<td>1</td>
<td>3%</td>
</tr>
<tr>
<td>20 – 29</td>
<td>9</td>
<td>35%</td>
</tr>
<tr>
<td>30 – 39</td>
<td>9</td>
<td>35%</td>
</tr>
<tr>
<td>40 - 49</td>
<td>7</td>
<td>27%</td>
</tr>
<tr>
<td>Education:</td>
<td>N</td>
<td>Percentage</td>
</tr>
<tr>
<td>higher</td>
<td>17</td>
<td>66%</td>
</tr>
<tr>
<td>secondary</td>
<td>8</td>
<td>31%</td>
</tr>
<tr>
<td>primary</td>
<td>1</td>
<td>3%</td>
</tr>
</tbody>
</table>

The research was conducted in June 2010. The calculations and statistical analyses of empirical material collected during research were conducted with the use of Microsoft Excel spreadsheet.

4. The results of the research conducted in small enterprises

In the first part of the research the respondents were asked about the preferred type of organizational culture in their companies (where they are owners or employees). The questionnaire employed the classification of organizational cultures with respect to the organization members’ attitude towards cultural dissonance according to Cz. Sikorski. It seems that this systematics properly describes the atmosphere prevailing in the organization
and that its character may affect certain parameters typical of the efficiency of a small company (e.g. employees’ propensity for entrepreneurial activity, flexibility, speed of action, order in the organization, the sense of unity, staff integration and others).

On the other hand, it seems that it also takes account of specific conditioning of embedding the culture of particular organizations in the Polish culture (cf. Klat and Matejun, 2010, p. 42). While creating the questionnaire, it was assumed that this classification clearly distinguishes particular types of organizational cultures which may occur in a small company whose social atmosphere is significantly determined by the owner’s personality. Their distinctiveness and adopted terminology also aimed at easy understanding of differences between particular cultural types by the surveyed persons.

In the questionnaire the respondents received a list of organizational culture types together with their short descriptions. The respondents’ task was to assess according to a five-point scale which type they would prefer in their company, where 5 meant that a given type was strongly preferred and 1 – the least preferred. The results measured by the mode of the questionnaire readings were presented in Graph 1.

Graph 1. Types of organizational culture preferred by the respondents in their companies

Source: authors’ own analysis on the basis of the research results.
The employees’ and employers’ opinions concerning the preferred organizational culture types are quite concurring. Both groups of respondents most often chose cooperation culture, i.e. culture that assumes autonomy, equality, respect for individuality where conflicts and competitiveness are avoided and the role of management consists in inspiring and supervising subordinates. The second most preferred type of organizational culture was adaptation culture which may be particularly useful in small companies as it supports their flexibility, adaptation to the requirements of customers and the market, and entrepreneurial and pro-innovative orientation. Domination culture, which aims at safety and reduction of uncertainty, was the least desired type of organizational culture in the examined companies. Readiness for changes is limited, superiors tend to dominate and subordinates tend to be obedient in this culture.

After determining the preferred types of organizational culture, there was an attempt to identify the organizational culture occurring in the examined entities. For this purpose, there was created, based on the literature, an author’s checklist of characteristic features of particular classification options – 4 properties were selected for each type of organizational culture and then they were assessed by the respondents. The checklist of characteristic features of particular types of organizational culture was presented in Table 5.

Table 5. The checklist of characteristic features of particular types of organizational culture used in the questionnaire

<table>
<thead>
<tr>
<th>Types of organizational culture</th>
<th>Properties of a given culture type</th>
</tr>
</thead>
</table>
| Cooperation                     | - focusing on bonds and dialogue between people in an organization,  
                                 |  - accepting cultural diversity,  
                                 |  - believing in benefits of cooperation, frequently informal one,  
                                 |  - avoiding conflicts and competition.  |
| Competition                     | - focusing on non-routine and non-conventional actions,  
                                 |  - need for proving own superiority,  
                                 |  - competing in achieving ambitious objectives in an organization,  
                                 |  - dividing an organization into camps, conflicts between cultures in an organization.  |
| Adaptation                      | - subordination to formal organizational objectives,  
                                 |  - favoring changes, focusing on customers’ needs,  
                                 |  - future-oriented with high tolerance for uncertainty,  
                                 |  - tolerance for social behaviors that are far from standards.  |
| Domination                      | - strong need for safety, routine actions and avoiding uncertainty,  
                                 |  - focusing on internal matters of an organization and distancing from environment,  
                                 |  - low tolerance for cultural diversity,  
                                 |  - conviction of natural superiority of members of an organization.  |

Source: (Klat and Matejun, 2010, p. 43).
The questionnaire didn’t contain names of particular types of organizational culture but only particular properties presented in the above table. Next, the respondents evaluated the convergence of individual characteristics with the organizational culture occurring in their enterprises. Understanding that it is frequently impossible to determine unambiguously the climate of organizational culture, a five-point scale was applied where 1 meant that the characteristics did not match the observed organizational culture, and 5 meant that the properties perfectly match cultural conditions in the analyzed company. The results of all respondents’ answers (both owners and employees) are shown on Graph 2.

![Graph 2. Types of organizational culture preferred by the respondents in their companies](image)

Source: authors’ own analysis on the basis of the research results.

The results achieved due to the checkup list method indicate that it is not always possible to distinguish one dominating organizational culture type. The respondents usually indicated adaptation culture which assumes cooperation, tolerance and subordination to formal objectives of the organization with simultaneous recognition of the need for adaptation to changing external and
internal conditions. Next, there was adaptation culture with the elements typical of competition and cooperation cultures. The above-mentioned types of culture were identified in the companies by half of the respondents.

Cooperation culture gains some significance in other indications as it was identified in its pure form (11%) or with the elements of adaptation culture (11%). According to the respondents, competition and domination cultures occur the least often in the examined companies. It should be stressed that these types (particularly domination culture) were the least preferred by the respondents. There is a convergence if we juxtapose these preferences with the evaluation of the actual state of affairs, which means that the identified types of organizational culture in the examined companies correspond to the types preferred by the owners and employees. It is confirmed by further opinions of the respondents who, when asked if they were satisfied with organizational culture in their companies, nearly all gave a positive answer (97%).

Total results show that there are two strong cultural tendencies in the examined companies: adaptation and cooperation cultures. Adaptation culture in small companies fosters flexibility of action allowing the implementation of changes and dynamic adaptation to external environment, taking into account the internal potential of the organization and opportunities occurring in environment. Whereas, cooperation culture allows strengthening social bonds inside the company supporting synergic effects and the sense of unity. These properties are typical of small companies where there are frequently direct business relations between management and subordinates and a wide scope of managerial liability requiring the commitment of many (and frequently all) employees (see more: Lachiewicz and Załęczny, 2003, p. 11).

It should be emphasized that in the case of cooperation culture it is also important to benefit from external cooperation with other organizations, which in the case of resources deficit of small companies frequently significantly determines their development potential and ability to compete on the market. To some degree, the above dominating tendencies are complemented with competition culture (whose elements occurred in examined companies according to 25% of the respondents). When it has a constructive character, competition culture may positively affect achieving set goals, overcoming limitations and extending employees’ and owners’ abilities.

Next, the paper analyzes the role of organizational culture in the examined companies. An inspiration for this purpose was E.H. Schein’s classification which distinguishes two groups of functions of organizational culture: internal and external. On the basis of the literature on organizational culture and qualitative specificity of small companies there was made an author’s list of 11 functions that an organizational culture plays in those entities, five functions...
are of external nature and six – of internal one.

In the questionnaire the respondents estimated the degree of realization of particular functions of the organizational culture which they had observed in their companies. The assessment was made both by the owners and employees. A five-point scale was applied for the assessment, where 1 meant that a given function of organizational culture is realized in very low degree, and 5 meant that the degree of realization is very high.

The results concerning the realization degree of external functions due to organizational culture of the examined companies and measured by the mode of indications of the surveyed owners and employees were presented in Graph 3.

Graph 3. The assessment of the realization of external functions of organizational culture in the examined companies conducted by the owners and employees

Source: authors’ own analysis on the basis of the research results.

The realization of external functions of organizational culture in the examined companies is in most cases highly estimated. Apart from the function, according to which organizational culture offers uniform measurement and assessment criteria, none of the external functions received lower evaluation. On average, the owners’ evaluations are higher than employees’ evaluations but in
the case of dominating evaluations they are the same for both groups. The owners gave the highest score to the realization of the function according to which organizational culture enables understanding of the organization’s mission and long-term goals. At the same time, in the case of this function there is the biggest difference between the owners and employees.

The realization of the function of uniform measurement and assessment criteria of results of actions were given the lowest score by both groups. The lowest discrepancies in assessment occurred in the case of the functions according to which organizational culture enables integration of people inside the company and their bigger commitment to the realization of their tasks.

Internal functions constituted another group of analyzed functions of organizational culture in the examined companies. The results concerning the realization degree and measured by the mode of indications of the surveyed owners and employees were presented in Graph 4.

Graph 4. The assessment of the realization of internal functions of organizational culture in the examined companies conducted by the owners and employees

Source: authors’ own analysis on the basis of the research results.
Out of the internal functions, the owners and employees gave the highest score to the functions according to which organizational culture offers common language, notions, satisfies the needs for safety and affiliation. These results refer to the specificity of small companies as certain cultural circles, mini-societies that have their own patterns of behavior. Defining group boundaries and criteria for acceptance and rejection were given an average assessment because cooperation culture frequently occurred in the examined companies.

5. Conclusion

The identification of types and the analysis of functions of organizational culture in small companies constitute an important element of the potential evaluation of these entities. The literature provides many proposals and ready-made models which may be applied in small companies, however, taking into account qualitative and quantitative features of this group.

The conducted research indicates that there are two interpenetrating cultural trends in the examined companies: cooperation and adaptation with some elements of competition culture (identified in 23% of the cases). It means that the main animators of organizational culture, i.e. the owners of these companies, skillfully use the advantages and qualitative properties of small companies, including openness to contacts with environment, flexibility, entrepreneurship and specific social relations allowing the staff to integrate around the most important issues. The results show that almost all members of the examined companies were satisfied with current cultural solutions.

Organizational culture in the examined enterprises allows the realization of certain functions, first of all, it enables integration and improves members' commitment to the most important issues for the organization. It offers common language and notions and satisfies the needs for safety and affiliation.

The research results allowed formulation of certain conclusions that may be applied by the owners of the analyzed, small companies:

- the owners should strengthen a bit more cooperation culture in their companies, which is highly preferred by employees,
- the owners should also focus more on actions aiming at understanding the mission and long-term goals of the organization. In the current cultural situation the employees think that they not always understand these issues, so important for each company.

The owners were informed of the conclusions so that they could put them into practice. Their implementation, however, requires an appropriate formation of organizational culture of the examined companies, for which the
owners of these entities bear main responsibility. These issues have been analyzed by further literature and empirical research conducted on small companies.

References


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**Source:** Klat K., Matejun M., Identification and Role of Organizational Culture in Small Enterprises, [in:] Chodorek M. (ed.), Organizational Relations as a Key Area of Positive Organizational Potential, Nicolaus Copernicus University Press, Torun 2012, pp. 73-90.