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Другова Олена Сергіївна <sup>1</sup>,

кандидат економічних наук, доцент кафедри менеджменту та бізнесу, Лі Ся $^1$ .

магістрант кафедри менеджменту та бізнесу, <sup>1</sup> Харківський національний економічний університет імені Семена Кузнеця Druhova Olena <sup>1</sup>, PhD (Economics), Associate Professor of Management and Business Department, https://orcid.org/0000-0002-2404-1910 Xia Li <sup>1</sup>, graduate student of Management and Business Department, <sup>1</sup> Simon Kuznets Kharkiv National University of Economics

## ОРГАНІЗАЦІЙНА КУЛЬТУРА ЯК ОСНОВА УСПІШНОГО БІЗНЕСУ ORGANIZATIONAL CULTURE AS THE BASIS OF SUCCESSFUL BUSINESS

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Організаційна культура визначає не лише робочу атмосферу в компанії, а й впливає на її успішність та конкурентоспроможність. Ця стаття досліджує важливість організаційної культури як основи для успішного ведення бізнесу. Вона розглядає роль цінностей, норм, традицій та практик, які формують культуру підприємства, у створенні сприятливого середовища для розвитку бізнесу. Також досліджується вплив організаційної культури на ефективність та результативність підприємства, а також на мотивацію та задоволеність працівників. На основі цього аналізу висуваються пропозиції щодо того, як керівництво може активно формувати та управляти організаційною культурою для досягнення стратегічних цілей та успіху в сучасному бізнес-середовищі. Результати иього дослідження можуть бути корисними для керівників та менеджерів, які прагнуть покращити ефективність своєї компанії шляхом вдосконалення організаційної культури. Організаційна культура виступає не лише як сукупність цінностей та норм, що характеризують спосіб роботи на підприємстві, але й як ключовий фактор, що визначає стратегічні орієнтири та спрямованість діяльності компанії загалом. Вона відображається в усіх аспектах підприємницької діяльності – від корпоративного стилю та способів комунікації до підходів щодо прийняття рішень та співвідношення із зацікавленими сторонами. Створення та управління організаційною культурою стає ключовим завданням для керівництва в сучасних умовах, де конкуренція та нестабільність ринкових умов стають все більшими. Важливо зазначити, що успішність бізнесу значною мірою залежить від того, наскільки ефективно підприємство розуміє, приймає та розвиває свою організаційну культуру. Особливо це стає актуальним в умовах швидких змін у сучасному світі, де компанії повинні бути гнучкими та адаптованими до нових викликів та можливостей. Саме організаційна культура стає тим фундаментом, на якому будується успішний та стійкий бізнес. Успішність формування та управління організаційною культурою залежить від кількох ключових аспектів. По-перше, важливо мати чітке бачення місії та візії компанії, які визначають загальний напрям розвитку та цілі підприємства. Далі необхідно активно впроваджувати ці цінності та принципи в робоче середовище, створюючи для співробітників стимули та можливості для розвитку та вдосконалення. Крім того, важливо будувати відкриту та прозору систему комунікації, яка сприяє взаєморозумінню та співпраці всередині компанії. Ключові слова: організаційна культура, чинники організаційної культури, критерії організаційної культури, етапи формування організаційної культури, бізнес.

Organizational culture serves not only as a set of values and norms that characterize the way business is conducted within a company but also as a critical determinant of its success and competitiveness. This article explores the importance of organizational culture as the basis for successful business management. It examines the role of values, norms, traditions, and practices that shape a company's culture in creating a conducive environment for business development. Additionally, it investigates the impact of organizational culture on the efficiency and performance of the enterprise, as well as on employee motivation and satisfaction. Based on this analysis, proposals are put forward on how management can actively shape and manage organizational culture to achieve strategic goals and success in today's business environment. This article's conclusions may benefit executives and managers seeking to improve their company's effectiveness by enhancing organizational culture.

Organizational culture is not just a reflection of how things are done within a company; it is a fundamental aspect that defines strategic directions and the overall orientation of business activities. It manifests in all entrepreneurial endeavors—from corporate style and communication methods to decision-making approaches and stakeholder relationships. Building and managing organizational culture becomes a paramount task for leadership in modern times, where competition and market instability are ever-present challenges. Indeed, organizational culture is the cornerstone for successful and resilient businesses. The success of shaping and managing organizational culture depends on several key aspects. Firstly, it is crucial to have a clear vision of the company's mission and values, which define the overall direction of development and objectives of the enterprise. Furthermore, it is necessary to actively implement these values and principles into the workplace environment, creating incentives and opportunities for employees' growth and development. Building an open and transparent communication system is vital to fostering understanding and collaboration within the company.

**Keywords**: organizational culture, factors of organizational culture, criteria of organizational culture, stages of formation of organizational culture, business.

#### Statement of the problem

Organizational culture plays a pivotal role in shaping the identity and performance of a business entity. It encompasses the shared values, beliefs, and practices that guide the behavior of individuals within an organization and influence its overall functioning. In today's dynamic and competitive business environment, where innovation, adaptability, and employee engagement are paramount, the significance of organizational culture cannot be overstated. This paper explores the intricate relationship between organizational culture and business success, exploring how a strong and positive culture can serve as the foundation for achieving strategic objectives and sustaining long-term growth.

In today's world, where the business environment is becoming increasingly competitive and changing at lightning speed, shaping the organizational culture of an enterprise is becoming a more critical task than ever before. This topic remains relevant for several reasons. First, organizational culture creates the basis for the successful functioning of the enterprise. It reflects the values, norms, and practices that determine how employees work and communicate and how the enterprise interacts with its customers and stakeholders. Second, organizational culture becomes an essential element of competitive advantage. Companies with a strong culture attract talented employees, create a favorable environment for creativity and innovation, and generally adapt more effectively to changes in their environment. In addition, organizational culture affects the effectiveness and productivity of employees. A positive and supportive culture contributes to employee satisfaction, reducing stress and attrition and increasing business performance.

A negative organizational culture can lead to severe problems, including conflicts, loss of reputation, and legal problems. Avoiding these problems becomes an essential task for enterprises striving for sustainable success.

Therefore, the formation of organizational culture is not only an essential aspect of the management strategy but also becomes a critical factor in the success and stability of the enterprise in conditions of constant changes and challenges.

Analysis of recent research and publications. Such domestic and foreign scientists and practitioners as V. Burkel, V.L. Gevko, A.A. Gerasymchuk, H.M. Zakharchyn, I.A. Ignatieva, M.I. Kopytko, and O. Yu studied theoretical aspects of organizational culture. Krasovska, O.M. Marchenko, O.B. Marcinkovska, H. Moltke, G.V. Osovska, Yu.I. Palekha, L.I. Skibytska, L.M. Tomanevich, E.Kh. Shane, O.M. Shiyan.

## The purpose of the research

The main goal of this article is to reveal the relationship between an enterprise's results and its organizational culture. In the context of economic and political "turbulence," a strong organizational culture becomes one of the company's key success factors.

#### Presentation of the main research material

Organizational culture is an integral component of the successful functioning of any enterprise. It is defined by a set of values, beliefs, norms, traditions, and behavioral standards that form a common identity and guide the actions of all employees. Formation of organizational culture is a complex and multifaceted process that requires the attention and efforts of management at all levels.

Organizational culture encompasses a wide array of elements, including shared values, norms, rituals, symbols, and language, that define a company's identity and character. It represents the collective mindset and behavioral patterns of employees and the organization's unique approach to problem-solving, decision-making, and communication. Organizational culture is often described as "the way we do things around here," encapsulating both formal policies and informal practices that shape the work environment.

Organizational culture affects every aspect of a company's operations, from attracting and retaining talented employees to achieving strategic goals. Companies with a stable and attractive organizational culture attract and retain highly qualified employees. Employees who feel part of a supportive and supportive environment are more likely to work effectively and achieve their goals. Organizations with a sustainable culture can more easily cope with environmental changes and ensure sustainable development. Satisfied employees are more likely to provide high-quality services and create a positive impression of the company among customers [1].

Scholars and researchers have proposed several theories of organizational culture over the years. These theories offer different perspectives on how organizational culture is formed, maintained, and changed within a company. Here are some of the critical theories [2-4]:

- 1. Integration and differentiation theory. Edgar Schein proposed this theory, which suggests that organizational culture develops through two complementary processes: integration and differentiation. Integration refers to the shared values, beliefs, and norms that unify members of an organization, while differentiation refers to the diversity and specialization of roles and functions within the organization. According to Schein, a healthy organizational culture balances integration and differentiation, allowing for cohesion and adaptability.
- 2. Cultural web theory. Developed by Gerry Johnson and Kevan Scholes, the Cultural Web theory proposes that organizational culture consists of interconnected elements, or "webs," that shape organizational behavior and decision-making. These elements include symbols, rituals, stories, power structures, control systems, and organizational structures. According to this theory, changing one element of the cultural web can have ripple effects throughout the organization, influencing other aspects of the culture.
- 3. They are competing values frameworks. The Competing Values Framework, developed by Robert Quinn and Kim Cameron, identifies four organizational cultures based on internal focus vs. external focus and

flexibility vs. stability. The four culture types are clan culture (internal focus, flexibility), adhocracy culture (external focus, flexibility), hierarchy culture (internal focus, stability), and market culture (external focus, stability). Each culture type has its strengths and weaknesses, and organizations may simultaneously exhibit elements of multiple cultures.

- 4. Organizational culture profile. Developed by Charles O'Reilly and Jennifer Chatman, the Organizational Culture Profile (OCP) identifies seven dimensions of organizational culture: innovation, stability, respect for people, outcome orientation, attention to detail, team orientation, and aggressiveness. By measuring an organization's culture along these dimensions, the OCP provides insights into its strengths and weaknesses and helps identify areas for improvement.
- 5. Cultural dimensions theory. Developed by Geert Hofstede, the Cultural Dimensions Theory identifies six dimensions of national culture that influence organizational culture: power distance, individualism vs. collectivism, masculinity vs. femininity, uncertainty avoidance, long-term vs. short-term orientation, and indulgence vs. restraint. According to this theory, these cultural dimensions shape individuals' values, beliefs, and behaviors and can impact organizational performance and effectiveness.

These are just a few theories that contribute to our understanding of organizational culture. Each theory offers valuable insights into its complexities and provides frameworks for analyzing and managing culture within organizations. By understanding these theories, managers and leaders can better navigate the challenges of building and maintaining a healthy organizational culture that supports the organization's goals and objectives.

Organizational culture profoundly impacts various aspects of business performance and success. Firstly, it influences employee motivation, engagement, and satisfaction. A positive and inclusive culture fosters a sense of belonging and encourages employees to invest their skills and creativity fully in pursuing common goals. This, in turn, leads to higher levels of productivity, innovation, and job satisfaction, ultimately enhancing the organization's competitive edge.

Moreover, organizational culture shapes employees' attitudes and behaviors toward customers, stakeholders, and the broader community. A customer-centric culture, for example, prioritizes delivering exceptional service and building long-term relationships based on trust and integrity. Similarly, a culture that values social responsibility and ethical conduct enhances the organization's reputation and strengthens its relationships with stakeholders, including investors, regulators, and the public.

Furthermore, organizational culture is crucial in attracting and retaining top talent. In today's highly competitive labor market, where skilled professionals have abundant employment options, organizational culture is a crucial differentiator for job seekers. Companies with strong and positive cultures are more likely to attract talented individuals who align with their values and vision, thus creating a virtuous cycle of talent acquisition and retention.

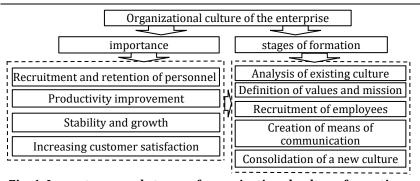
Creating and nurturing a solid organizational culture requires concerted effort and leadership commitment. It begins with articulating a clear mission, vision, and set of values that reflect the company's identity and aspirations. These guiding principles are the foundation for shaping the desired culture and aligning employee behavior with organizational objectives.

Once the core values and cultural norms are established, leaders must lead by example and embody these principles in daily interactions and decision-making. Consistency between words and actions is essential for building trust and credibility within the organization. Leaders should communicate openly and transparently, solicit employee feedback, and actively involve them in shaping the culture.

Moreover, organizations can reinforce their culture through various mechanisms, such as employee recognition programs, performance incentives, and training initiatives. Recognizing and rewarding behaviors that exemplify the desired culture reinforces its importance and encourages widespread adoption among employees. Training programs can also help employees understand and internalize the company's values and norms, empowering them to embody these principles.

Building an organizational culture includes several vital stages that help create a favorable and productive atmosphere at the enterprise. The initial step is to conduct diagnostics and analysis of the current state of culture in the organization. This allows you to understand the strengths and weaknesses and determine the directions for further actions. After that, goals and values are established, becoming the basis for forming culture. This may include defining the mission, vision, and corporate values that will guide employees' actions in the future. Developing a culture formation strategy that considers the established goals and values deserves special attention. This includes developing an action plan, communication strategies, and employee training programs. The next stage is implementing and disseminating culture in the working environment. This means conducting educational events and training and creating new procedures and policies that meet the established goals of the culture. The final stage is evaluation and adjustment. After implementing culture formation strategies, evaluating their effectiveness and making the necessary changes are essential. Collecting employee feedback and analyzing the results helps determine the activities' success and identify improvement opportunities. This is presented in Fig. 1.

Organizational culture plays a pivotal role in shaping the identity, behavior, and performance of a company. It encompasses shared values, beliefs, norms, and practices that guide how individuals within the organization interact and work together. The formation of organizational culture is a dynamic process that evolves and is influenced by various internal and external factors. Understanding the importance and stages of organizational culture formation is essential for leaders and managers seeking to cultivate a positive and productive work environment.



Organizational culture determined by a set of values, ideas, norms, and practices jointly accepted within the enterprise. This kind of "spirit" of the organization affects its development, functioning. relations with employees and external stakeholders. Forming an influential organizational culture is a critical task for the successful development of an enterprise, as it affects all aspects of its activity. Let us consider the critical aspects of the formation

Fig. 1. Importance and stages of organizational culture formation

organizational culture and their impact on the success of the enterprise [2,3]:

- 1. Leadership and example from the top. Leadership is one of the most critical factors in the formation of organizational culture. Company leaders act as catalysts of values and norms; they set an example for other organization members. Their commitment to the company's goals, openness to collaboration, and empathy create the foundation for a positive organizational culture.
- 2. Values and mission of the enterprise. Values, which are defined and accepted at the enterprise level, reflect the enterprise's deep convictions and approaches to business activity. They determine what is important to the enterprise, how it behaves in challenging situations, and how it interacts with its stakeholders. The enterprise's mission determines its general goals and orientation, providing the content of its activities and determining its place in society.
- 3. Communication and interaction. Open and effective communication is critical to creating a positive organizational culture. Employees should be able to express their thoughts and ideas and work together to solve problems. Healthy communication helps maintain openness and mutual support within the enterprise.
- 4. Stimulating innovation and risk. A company with a highly developed organizational culture actively supports innovation and the ability to take risks among its employees. It creates a favorable environment for experiments and the implementation of innovative ideas, which contributes to continuous development and improvement.
- 5. Training and development. Promoting employees' training and personal development is another critical component of a thriving organizational culture. A company that invests in its employees' development creates motivation for their growth and internal contribution to the company.

Forming a strategy for changing an enterprise's organizational culture is a complex and multifaceted process that requires careful planning and consideration of key aspects. One of the main principles in this process is maximum efficiency, as it ensures the successful implementation of changes and the achievement of set goals.

The first step in developing a culture change strategy is to understand the current state of the organizational culture. This means analyzing existing values, norms, traditions, and practices that determine how the company works. Based on this analysis, the advantages and disadvantages of the current culture are determined, and the need for change is justified. The second step is to establish new goals and values that are subordinate to the overall strategic goals of the enterprise. This may include developing a new mission, vision, and corporate values that reflect the organization's new focus. These new goals must be specific, measurable, and actionable [4-6].

After setting new goals, it is necessary to develop a culture change strategy that considers the organization's specifics and needs. This strategy should include specific actions and measures to help implement change effectively and smoothly. It is essential to consider the resources needed to implement the changes and identify the people responsible for carrying out each step of the strategy. After developing a strategy, it is essential to ensure its effective implementation. This may include conducting educational activities and employee training, communicating with all stakeholders, and establishing feedback mechanisms to assess progress. In addition, it is essential to consider the impact of changes on organizational culture and prepare an action plan to minimize possible negative consequences. This may include measures to support employees during a period of change and monitoring and adjusting the strategy as necessary.

All these steps are performed to ensure the maximum effectiveness of implementing organizational culture changes. Consistent and systematic implementation of the change strategy will allow the company to achieve its goals and improve its culture [7].

# Conclusions and prospects for further research

In conclusion, organizational culture is the foundation of successful businesses. It shapes employees' attitudes, behaviors, and performance, influences relationships with customers and stakeholders, and drives long-term growth and sustainability. Organizations can enhance employee engagement, customer satisfaction, and competitive advantage by fostering a positive and inclusive culture that aligns with the company's values and objectives. Effective leadership, clear communication, and consistent reinforcement are essential for building and sustaining a solid organizational culture that drives success in today's rapidly evolving business landscape.

The organizational culture of the enterprise is a key factor that determines the unity, common values, and orientation of the team toward achieving common goals. It is an important tool for ensuring organizational,

economic, and psychological unity in the enterprise, contributing to the improvement of its functioning efficiency.

The development and change of organizational culture require a systematic and targeted approach. This process involves several specific actions that cover managerial and social-psychological aspects, taking into account the specifics of a particular enterprise's work.

Management actions aim to establish goals and strategies that reflect the values and principles underlying the culture. It is essential to determine the company's mission, vision, and corporate values, which will determine the direction of activity and stimulate employees to achieve common goals.

After determining the culture formation strategy, the stage of implementing and disseminating these values in all spheres of the company's activity comes. This may include conducting educational events and training, creating new procedures and policies, and creating an atmosphere of mutual respect and cooperation.

The socio-psychological aspects of culture formation consist of creating a communicative and trusting atmosphere at the enterprise. It is important to create conditions for open communication between management and employees and to promote mutual understanding and mutual respect.

Organizational culture is an integral part of an enterprise's life, determining its success and market competitiveness. Its creation and maintenance are ongoing processes that require attention and effort from management and the entire enterprise team. Successful work on organizational culture will increase the efficiency of the enterprise's functioning and the satisfaction of its employees.

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