



Research Article

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A General Profile of Organisational Culture in Family and non-Family Businesses

Beskida Dorda

*Ph.D. Candidate,
University of New York Tirana*

Eriona Shtëmbari

*Assistant Professor,
Business and Economics Department,
University of New York Tirana*

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Abstract

Companies perform in the market by their unique organisational culture (OC). Literature has shown that OC is a crucial factor for successful businesses. Being such an important element, OC is widely studied and has captured the attention of researchers all over the world. Strategic orientation, tradition or new market's demands are main factors that can influence the culture of each enterprise and can provide distinctive organisational cultures. This paper intends to fill a gap in the literature about the general dimensions of organisational culture in Albanian companies. This study also compares results between family and non-family firms. Albania is a developing country that is rapidly changing, and its market is affected by its national culture and globalisation as well. Around 30 years ago a free market was established in Albania. In this perspective, it will be beneficial to develop a comprehensive insight into the culture that business has created during this period of time. Data are gathered between December 2018 and June 2019. SPSS is used to analyse them. Company's fundamental values, attention to details and leaders as a good representation of OC are factors that showed interesting results, indicating a clear perception. Furthermore, regarding the attitudes of family businesses (FBs) compared to non-FBs, innovation and companies' behaviour toward their members are found to have differences.

Keywords: family business, dimensions of organisational culture, organisational culture

1. Introduction

As a developing country, Albania is in search of better practices, aiming to build a successful market. After the transition, people were able to run businesses of their own. Since the free market was a new way of doing business, people who created companies faced huge challenges. Challenges came from the changes that transformed the Albanian market. In this regard, it would be interesting to investigate on the actual situation of the main dimensions of OC.

The contribution of this paper on studying the business environment through some general dimensions. Dimensions used in this study are also used from the literature to assess the OC. Researchers and other stakeholders will find in this paper an overview of the Albanian OC.

Culture is considered essential by researchers because organisations are more than a group of people who need to be coordinated or controlled; they have their personality (Robbins & Judge, 2009). Entities that contribute to the economy can represent in the market unique characteristics which shape their personality. The aim is to assess OC through the perception of employees. In

general, employees are the category that is used mostly to assess the culture within the company. Literature considers OC as a determinant factor of success. Therefore, businesses should be aware of the OC and even learn how to use it in their advantage. For example, Albanian market is not well established and culture might be one reason that holds it back this country.

Several dimensions of OC are explored by researchers, proving that there are many features which can reveal us invaluable information about the general profile of companies. Dimensions taken into consideration from this study are used from the study of O'Reilly, Chatman & Caldwell done in 1991. According to them, innovation and risk-taking, attention to detail, outcome orientation, people orientation, team orientation, aggressiveness and stability are dimensions that can give an overall picture of the OC. Company's key values, attention to details and leaders as a good representation of OC are factors that showed interesting results. Respondents show a clear perception, giving positive answers for each one of them. Furthermore, there are differences noticed between FBs and non-FBs for some of the dimensions.

2. Literature Review

2.1 Organisational Culture

Organisations as open-systems (Luthans, 2002, pg.108) are affected by the external environment. The environment is responsible for many features that distinguish businesses in different countries. Although globalisation has affected businesses around the world, still there are certain elements that create originality. So, businesses in different countries might bring a different approach to the dimensions of the organisational culture.

Employees, as the internal capital of each company can substantially affect the overall performance. Due to employees' behaviour, companies change and move forward in their market. The reason that stands behind their behaviour is people's knowledge and experience. People behave in specific ways because they are influenced by what they know, and culture is the factor that can explain many causalities. The way employees do their job can be assessed by several dimensions, making companies different from one another (George & Jones, 2006).

Scholars used different definitions to present an OC (organisation culture). Generally, it is accepted that organisational culture is the shared set of beliefs, expectations, values, norms and work routines that affect how individuals, groups and teams interact with one another and cooperate to achieve organisational goals (George & Jones, 2006).

Culture management is considered the job number one of the leadership because it can affect the overall performance of the business (Flamholtz and Randle, 2016). Moreover, culture capital is proposed by Throsby (1999) as the fourth type of capital after physical capital, human capital and natural capital, implying that culture is through the most critical capitals used from organisations.

Each organisation has its own culture, and its dimensions have different concentrations even within the same organisation. The culture that is shared by the majority of employees in the organisation is called the dominant culture. On the other side, subcultures are the values that are shared by small groups within the organisation. Subcultures share values that might be different or might have different intensity compared to the majority of the employees who are part of the same organisation. In this sense, culture is how people perceive values shared within the organisation.

Strong cultures can substitute formalisation (Dolan and Garsia, 2002). It shows the active part of this vital concept. Rules and regulations can derive from culture and can be a part of the daily routine. If people can successfully practice their beliefs and values, the whole organisation can benefit. When values and actions are synchronised with one another, organisations can meet their objectives more fairly and efficiently because employees are clear on what is considered essential and how they should achieve it.

Factors that influence on OC (George and Jones, 2006, pg. 64) are considered: values of the founder, socialisation, ceremonies and rites, stories and language. Each one of them imply that employees shape the culture of the company through different ways of communication.

Organisations need to know the power of their culture because it can influence many aspects of an economic entity. Organisational culture affects factors such as performance, effectiveness

(Denison and Mishra, 1995), ethics and competitive advantage (Barney, 2019). Essential characteristics of the OC (Luthans, 2002, pg. 123) to be mentioned are behavioural regularities, norms, dominant values, philosophy, rules and organisational climate. All these elements are considered aspects that can reveal to outsiders the inner personality of the organisation. For example, if employees share dominant values within the company, it means that they have reached a phase where they can identify themselves with the group. Furthermore, this identification will help the successful collaboration with one another, affecting positively the overall performance of the company.

2.2 Organisational culture in family businesses

The reason that family businesses are considered an essential part of this paper is to underline the fact that this category of business might have different implications toward OC. The OC might be different in businesses where family members own or manage together their business compared to companies where family relations are not involved in the business. In other words, the culture of the family business might dominate the overall OC through family values.

Successful family businesses have been able to pass their activities from generations to generations. It means that family members can successfully pass the vision of the company using their unique and sustainable culture. The organisational culture is created and strongly influenced by its founder and his or her family during the first stages (Parada & Dawson, 2017). The starting point of OC is considered the ability of the founder to pass to employees everything that he or she considers fundamental. The foundations set by founders can affect the next stages of the business life cycle. Passing through the other phases of the business, the influence of the family might change. For example, if the company has reached maturity, and instead of an owner-manager, it is a management department incorporated to the company, the influence of the family is in low levels. In this case, the family hired professionals from outside of the family that are supposed to perform professionally without being influenced by family members. Therefore, the organisational culture is influenced by other members of the company, besides family members.

2.3 Dimensions of Organisational Culture

Critical dimensions are gathered together from van den Berg & Wilderom (2004). Results bring together interesting relationships between dimensions of OC. According to Flamholtz & Randle (2016), the critical dimensions of organisational culture are customer orientation, people (employee) orientation, performance standards and accountability, innovation or commitment to change, company process orientation. Each of these dimensions reveal the way company acts toward different aspects. When we assess these dimensions, we can create a general picture of the overall OC of the company.

Dimensions used from O'Reilli, Chatman & Cladwell (1991) resulted appropriate to assess the culture of organisations and people as well. There are 54 values included in the questionnaire called Organizational Culture Profile (OCP). This study has taken in consideration dimensions that other scholars (van den Berg & Wilderom, 2004; Robbins & Judge, 2009) have mentioned like the ones that best represent within their range the values included in the OCP.

Dimensions that are part of this paper are:

1. Innovation and risk taking- It represents the level to which companies foster risk taking and being innovative. Innovation is considered nowadays as an important element that can enhance the performance of economic entities. Many scholars have dedicated research articles to this topic, trying to build knowledge upon specific factors that lead to innovative behaviour (Polat, 2012; Lafore, 2013; Leal-Rodríguez, Alborn-Morant & Martelo-Landroguez, 2017; Shahzad, Yi Xiu & Shahbaz, 2017).
2. Attention to details- It shows the level to which employees are expected to behave toward procedures or products that might have specific requirements. Are employees expected to be attentive and try to fix even small issues or not? This issue might have a positive impact on the overall performance of the activity, making quality the best way to present

- the company in the market. According to competing values model of Quinn (1988), rules show respect toward formal authority and procedures. Since rules imply control, the opposite orientation considered by the model is innovation.
3. Outcome orientation- It reveals the degree of attention toward processes or outcomes. For some companies, the process or the procedure used to produce is very important to the final product. But other companies might have other considerations, due to their policies and their particular requirements or goals.
 4. People orientation- Nowadays, the focus of many management practices is on non-financial resources as resources that give added value to companies. The scholars' attention is shifted from financial objectives toward other human benefits, showing that nowadays there are non-financial reasons that drive employees toward high performance. Giving value to human is mentioned (Polat, 2012; Jans & Frazer-Jan 1991) as an element that helps organisations manage diversities within the company and being productive.
 5. Team orientation- It represents the degree to which companies organise the work more around groups compared to individuals. Due to this orientation type, some companies appreciate more group work than individual ones. Team spirit is also included from Quinn (1988) in the dimension of support. Team members must bond with one another and be supportive of their skills and knowledge.
 6. Aggressiveness- Peoples' tendency to compete can be expressed by being aggressive or not. Its importance consists on the climate in which the company performs their daily routines. Is the environment encouraging positive behaviours or the tendency is to express a high level of competitiveness? Kindness, empathy and democratic attitude are some of the organisational values that (Polat, 2012) are considered necessary by managers. Having these qualities means being able to cooperate better with everyone.
 7. Stability- It reveals the level that companies are focused on the status quo rather than growth or expansion. While some companies grow their activity beyond their actual one, others invest in their stability. For example, "The Denison organizational culture model" (Denison, Haaland & Goelzer, 2004) represents different situations in which companies detect if they are growing or maintaining the status quo. In this perspective, being stable or flexible is a choice that affects the whole performance of the company. Being adaptive without having stability resulted in predicting the short-term performance of the company (Gordon & DiTomaso, 1992). Therefore, even though companies should have flexibility toward its market, from a long-term perspective, they should also consider having a certain degree of stability.

The additional elements (adapted from Flamholtz & Randle, 2016) considered important to be part of this study are:

1. Key values of the company
From this statement, we can better understand how the values of the company are transmitted. If this information is passed to employees, members of the company will contribute more toward those values. The transmission of values from family to company is considered related to the longevity of family firms (Moya, 2012) and responsible for that are the structures within the company. According to Hatch & Schultz (1997), organisational culture is a value-based construction that is dealing with new challenges in the field of management.
2. Leaders as representations of the OC
"Organisational cultures primarily reflect their leaders," said Warrick (2017). Leaders shape the culture of the organisation through their ways of doing things, through inspiration and guidance. Leadership is essential, especially for family businesses because they can influence the market. Here we can talk about the identity of the company and how it relates to the personality of the leadership. If leaders are loyal to the values of the business, there will be a match which will lead toward a favourable and straightforward profile of the company.
3. The behaviour toward family members and nonfamily members.
The statement implies the concept of fairness in the sense of the employees' perception.

Employees can perceive differently the way family members are treated. It would be interesting if we could understand more about this issue through the results of this study.

All dimensions give to this research a better view of the situation in which employees work every day. Specific issues that stand beyond activities can be assessed better by employees. But, we should keep in mind that respondents might give different opinions because they are affected by their own perception.

3. Methodology

This paper used questionnaires to investigate employees' perception of their organisational culture. The total number of the respondents is 108, delivered from December 2018 to June 2019. SPSS is used to examine all the information gathered.

The questionnaire was delivered to businesses that operate in Tirana, the capital of Albania. It is sent personally to two firms, while for the others it is sent via e-mail. The set of questions is divided into two parts. The first part asks the participants about their personal information and the second one includes ten statements that show ten general issues. Respondents are asked to assess each statement according to a five-point Likert scale. The Likert range is used mostly in general questionnaires aiming to evaluate OC (Pimentel, 2016; Astrachan, Klein and Smyrniotis, 2002). Statements derived from the dimensions used from O'Reilly, Chatman & Cladwell (1991) and Flamholts & Randle (2016).

4. Results and Discussion

4.1 General information

Participants in this survey worked in family firms or non-family firms that operate in Tirana.

Table 1. General information of participants

		Nr	%
Gender	Female	59	54.6%
	Male	49	45.4%
Civil status	Single	43	39.8%
	Married	64	59.3%
	Divorced	0	0.0%
	Widow	1	0.9%
Education	High-school	33	30.6%
	Bachelor	38	35.2%
	Master	32	29.6%
	Doctorate	5	4.6%
Tenure	0-1 year	19	17.6%
	2-5 years	55	50.9%
	6-10 years	23	21.3%
	more than 10 years	11	10.2%

The majority of participants were married (64%), while 43% were single. According to gender, almost 55 % of the population are female, and nearly 45% are male. According to education, the respondents are divided into groups with small differences: bachelor (35%), high-school (around 31%) and master (almost 30%). The doctorate is the category with the smallest percentage (5%). Respondents who worked for 2-5 years are the group with the highest rate (around 60%). The next larger group about tenure belongs to 6-10 years (21,3%). An interesting element to emphasise here is that people who worked more than ten years for the company, has a low percentage, just 10,2%.

Table 2. Participants of family business versus non-family business

	Nr	%
Family business	47	43.5
Non family business	61	56.5
Total	108	100.0

As can be seen from the table above, the participation of non-family businesses is higher compared to family businesses.

Table 3. Results for FBs and non-FBs

		FBs (in %)	non-FBs (in %)
Gender	Female	60	51
	Male	40	49
Civil status	Single	47	34
	Married	53	64
	Divorced	0	0
	Widow	0	2
Education	High-school	51	15
	Bachelor	28	41
	Master	21	36
	Doctorate	0	8
Tenure	0-1 year	17	18
	2-5 years	49	52
	6-10 years	17	25
	more than 10 years	17	5

The table above gives us information about features, aiming to compare the involvement of FBs and non-FBs in this survey. What we can quickly notice are the figures for education, which seems to have significant differences. For FBs, the number of participants grows while passing to lower levels of education. In contrast, non-FBs have a tendency to include people with the highest educational degrees.

4.2 Results about Organizational Culture Dimensions

This section shows the results of each dimension. Dimensions are illustrated by overall results but also by differences noticed between FBs and non-FBs given in the graphs below.

In general, what we notice is that companies' most important values are well-recognised by employees of FBs and non-FBs. The perception about innovation is distributed with slight differences between all levels without having a group that is distinctly far from the others. Almost all employees agree with the fact that they need to pay attention to details and be precise. Two supportive alternatives make approximately 95% of the participants (45% strongly agree, and 50% agree). When people are asked to compare results and processes, they are divided into scales with small differences between them. The highest percentage (36%) agree with the statement, showing that the dedication toward results is more emphasised compared to processes.

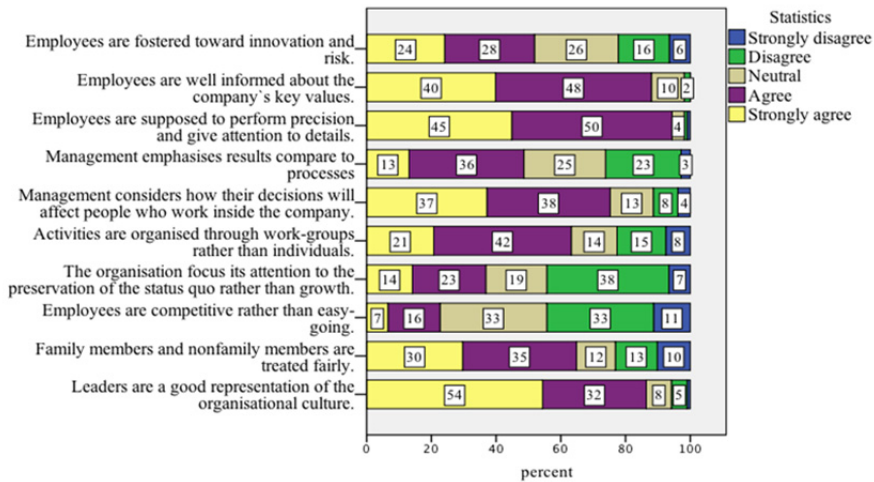
Around 37% of the employees strongly agree, and 38% agree that their needs are taken into consideration from management. It reveals that the majority supports the company for its decisions. The same thing we can say about working in a group, around 42% strongly agree that the work is organised mostly around groups rather than individuals. The majority of family members (51%) also agreed with the statement. It shows clearly a tendency of FBs toward working in a group, showing cooperation but also exchange of knowledge and skills.

Interesting results are presented about employee's behaviour toward one another. People who had neutral opinion (about 33%) have the same percentage with the ones who disagree with the statement. According to the features below, the staff is more easy-going than competitive.

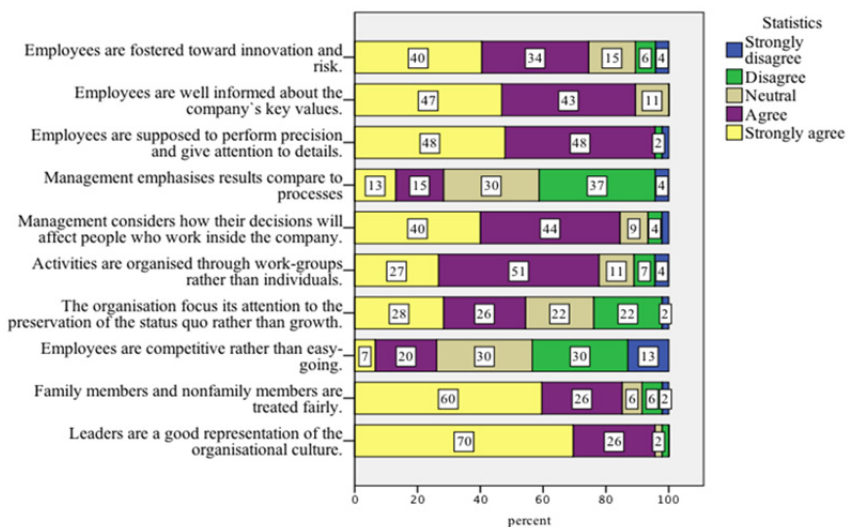
About the preservation of the status quo, almost 38% were against it, showing that companies intend to grow their activity. An essential element to notice here is that 50% of non-family business members disagree as well. Meanwhile, alternatives presented by family businesses are divided into groups with almost the same values. In these conditions, what we can say is that the attention of FBs is equally divided between the intention to grow and to maintain the actual status.

According to the total results, family members compared to non-family members are treated equally, where 30 % strongly agree, and 35 % agree. Family members are those who agreed with a majority of 60 %. It reveals support toward an essential issue about FBs because being fair resulted in being one of the values that can be used to manage differences (Polat, 2012).

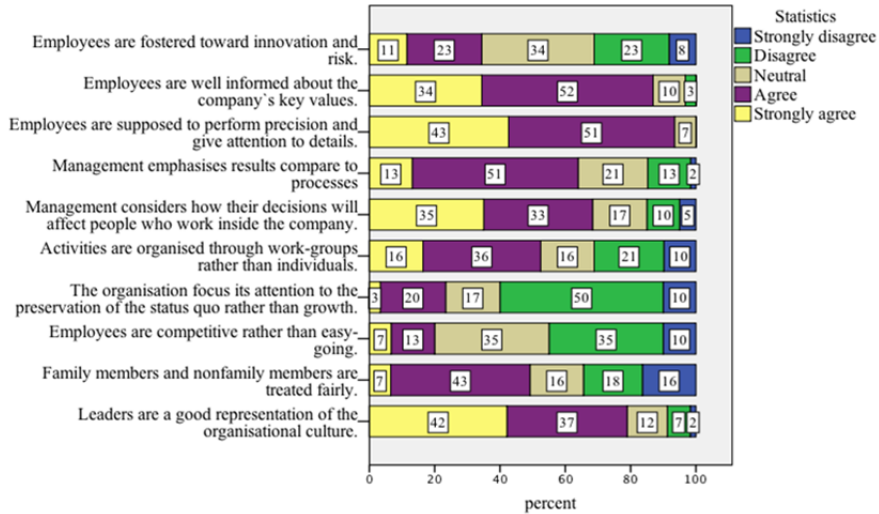
The majority (54 %) agreed that leaders are fair representatives of their business. FBs strongly agree with 70 %, while non-family companies strongly agree with 42%. As can be seen, there is a significant difference between them. Therefore, FBs agree that organisational culture is represented by the leader of the company (Warrick, 2017).



Graph 1. Total results in percentage for each dimension (in percentage).



Graph 2. Responses in percentage of family businesses for each dimension (in percentage)



Graph 3. Responses in percentage of non-family businesses for each dimension

5. Conclusions

Organisational culture is a unique element that gives to the company a personality that can be noticed by its stakeholders. Interestingly enough, there are many factors that we can take in consideration when we want to assess the OC. In general, scholars develop their studies based on some selected dimensions, due to the wide range of issues that OC covers. Aspects taken from this study are general issues that can show the overall tendency of the working culture inside the company.

Factors that had interesting results are: company's key values, attention to details and leaders as a good representation of OC. Almost half of the respondents agree or strongly agree with each statement, showing positive attitudes toward their companies. Employees agree that they are aware of the fundamental values of the firm, which definitely help companies perform better.

Results show that there are differences between FBs and non-FBs. Significant differences are noticed in innovation and the family employees' treatment. Outcomes show that FBs support innovation, a factor that can enhance the activity of the firm. Furthermore, FBs support outstandingly the fact that they treat their members fairly, despite the family membership. This vital element reveals to us that family can manage their relationships in the business and promote the best. Otherwise if family members support one another just for the sake of being in the same family, then the success of the firm is jeopardized.

6. Limitations and Future Suggestions

This paper has its limitations as any other research study. The focus of this study are some general items, and each one of them is presented through a single statement. A single statement can not explore in depth each factor. For this reason, other scholars might explore more in details each aspect taken from this paper.

Moreover, studies can extend their purpose, aiming to find responsible factors for each dimension. Furthermore, another significant sample can improve the chances for better results and generalisations.

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