

TREATMENT OF CO-WORKERS AS A SYMPTOM OF ORGANIZATIONAL CULTURE

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Abstract: The treatment of co-workers is a sensitive component of organizational culture. One of the world's most prestigious awards for organizational excellence takes its position to that issue in a few criteria. It mentions the leaders' role to develop organisational values and it points out that the excellent organisations manage, develop, and release the full potential of their people at different levels. These organizations should promote fairness and empower their people. The aim of this paper is to show relations between the treatment of coworkers and the organizational culture. Factors connected with culture introduction into Polish organizations are gathered in two groups: external (historical and current) and internal. The latter are reviewed more in detail. The starting point are the elements mentioned in TQM definition, which are treated here as a basis for analysis of internal conditions of culture introduction into Polish organisations, focusing on the treatment of co-workers. Various cases are presented to show the broad scope of treatments actually occurred in the organizations.

Key words: *coworkers, treatment, organizational culture*

RAVNANJE Z ZAPOSLENIMI KOT ZNAK ORGANIZACIJSKE KULTURE

Povzetek: Ravnanje z zaposlenimi je občutljiva sestavina organizacijske kulture. Ena od najbolj prestižnih nagrad za organizacijsko odličnost na svetu se opredeljuje do tega vprašanja v nekaj merilih. Omenja vlogo vodij, da naj razvijajo organizacijske vrednote, in poudarja, da odlične organizacije upravljajo, razvijajo in sproščajo vse sposobnosti svojih sodelavcev na raznih ravneh. Organizacije naj bi pospeševale poštenost in pooblašale sodelavce. Namen prispevka je pokazati povezavo med ravnanjem z zaposlenimi in organizacijsko kulturo. Dejavniki, povezani z uvajanjem kulture v poljske organizacije, so zbrani v dveh skupinah – kot zunanji (iz zgodovine in sedanji) in notranji. Slednje obravnavamo podrobneje. Izhajamo iz prvih, ki jih omenja definicija TQM – popolnega obvladovanja kakovosti. Služijo kot podlaga za analizo notranjih razmer pri uvajanju kulture v poljske organizacije, osredotočamo pa se na ravnanje s sodelavci. Različni primeri kaže, kako široka pahljača prakse glede tega se dejansko pojavlja v organizacijah.

Ključne besede: organizacijska kultura, ravnanje z ljudmi, sodelavci

1 Introduction

As in many other Central-European countries, also in Poland, in nineties, the movement towards market oriented economy has accelerated changes in forms and ways of competition between organizations. This new economic situation has required new solutions in organization's management, with new aspects to be considered. Among latter, there have been social, quality and environmental aspects. Corporate Social Responsibility (CSR), also known as corporate responsibility, responsible business or corporate social opportunity, is a form of corporate self-regulation integrated into a business model, and of course is addressed mainly to the social aspects. CSR policy should function as a built-in, self-regulating mechanism whereby business should monitor and ensure their adherence to law, ethical standards, and international norms. Business would embrace responsibility for the impact of their activities on the environment, consumers, employees, communities, stakeholders and all other parts of the public sphere. In these frames, the treatment of employees (coworkers) play important role.

The treatment of coworkers is a sensitive component of culture of organizations, which have strong quality basics. In one of the world's most prestigious awards for organizational excellence – the EFQM Excellence Award – several criteria relate to that issue. In these criteria it is emphasized that the leaders have the important role to develop organisational values and that the excellent organisations are able to manage, develop and release the full potential of their people at an individual, team-based and organisational levels, giving people satisfaction. All these capacities derive from cultural roots of organizations.

2 Organizational culture

The term „culture” has been known for ages, but the term „organizational (enterprise or corporate) culture” has been more commonly known only for about twenty five years. It is defined that the corporate culture is the pattern of declared convictions and values, which give the corporate co-workers the sense of activities and rules of behaviour [1].

A culture’s symptoms include:

- Way of communication in organisation,
- Criteria of promoting to higher ranks,
- Way of contacts with customers,
- Layout and way of creation of organisation documentation,
- Architecture and the state of organisation infrastructure,
- Readiness of co-workers to work in overtime.

In every modern enterprise the successful management depends very much on how top management gets close to the employees. First of all it must develop effective communication - up, down and across the organization; it should encourage good communication between all suppliers and customers. It is especially important during culture introduction phase into organizations.

3 Place of treatment of coworkers in introduction of culture into Polish organizations

All factors which are connected with culture introduction into Polish organizations can be gathered in two groups:

- 1) External, dependent on factors from the environment of organization,
- 2) Internal, located inside organization.

3.1 External factors

Speaking about the external factors influencing the introduction of culture to Polish organizations one can remember two aspects:

- a) Historical conditions, which have shaped the situation in Poland, not only in economy, but also in social area,
- b) Current conditions.

All facts which have influenced the attitude towards work, its quality and the quality of products had historical conditions. Among the current conditions one can distinguish economic and social.

As a current condition of key importance for successful introduction of culture strategy into Polish organizations, the reconstruction of the whole national economy for the quality-oriented goals is mentioned. S. Sudol presenting the results of the inquiry shows, that the factors which are friendly to reaching these goals, the experts arranged in following order [2]:

- a) Socially accepted, concise pro-quality concept of economy,
- b) Complete turnover from centrally-steered to market-controlled economy,
- c) Significant increase of foreign investments,
- d) Consequence of introduction of market-controlled economy,
- e) Remarkable structural changes in Polish economy.

At the top of list, as we see, is socially accepted change of the system of economy management. It is indirectly connected with the treatment of co-workers.

High in the hierarchy is the demand of acceptance and introduction of pro-quality concept of economy (included in factors a, d, and e).

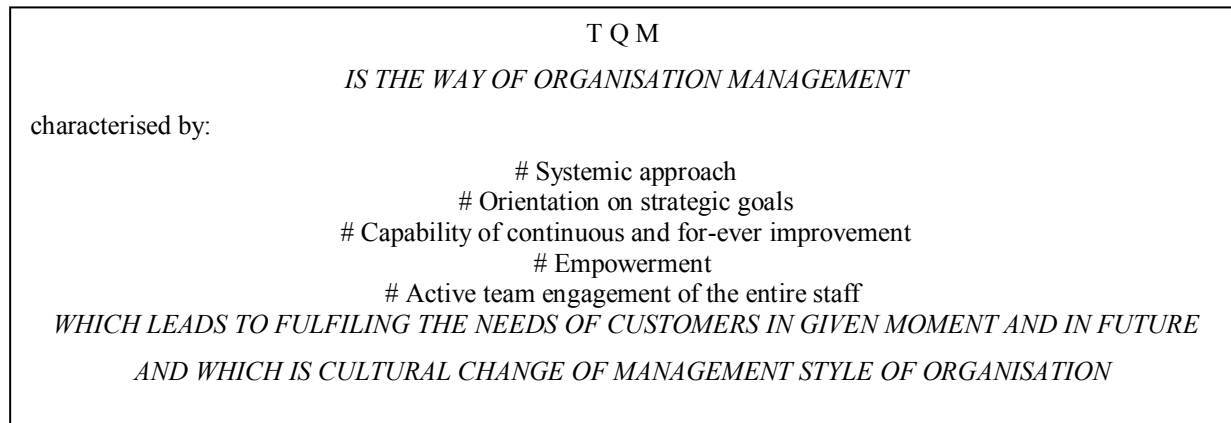
Speaking about the social conditions one can mention the specific national features of Poles, which belong also to the external conditions, from the point of view of position to organisation. Some of them are, as follows:

- Skill of achieving the goals in unconventional ways,
- Un-recognition of authorities,
- Aspiration to freedom,
- Need for a quick personal success.

To win on the market having in mind these features, special treatment of co-workers is needed. There are some examples of enterprises, where freedom, unconventional relations between staff members enabled success. They are mainly among relatively “young” companies, established after the changes, i.e. after 1989. Poles are seen world-wide as individualists with high ambitions, open-minded, flexible, talented improvisers, innovative and fast learning. When one combine these features with the Polish predilection to improve everything around and the great criticism, this mixture is seen by E. Kindlarski to be a promising starting point for attaining market goals [3].

3.2 Internal factors

Internal factors, located inside organization, are strictly connected with management system. Promising in this area is system of TQM, characterized in Fig.1 [4].



The elements mentioned in TQM definition are treated here as a basis for analysis of internal conditions of culture introduction into Polish organisations, focusing on the treatment of co-workers.

Systemic approach is the activity, which uses the ordered set of mutually interrelated elements of given entirety for its maximum effectiveness. In Japan this entirety is formed by organisation with all the parts of its environment (so called community of interest): top management and personnel, bank, customers, and suppliers. The purpose of the creation of such an entirety is the long-term profit for all interested parties of given community. Defined in this way, systemic approach includes also co-workers, who are really important players, especially in crisis situations.

The role of co-workers in creating the strategic goals is rather marginal. Thanks to the TQM, the goals of the organisations are maximised and the specific consonance and stability of goals is needed. As it is seen in Poland, there are only few results of such an activity. The goals of organisations rarely go down to departments and to the single members of staff.

When considering ability for continuous and for-ever improvement, it is well known that introducing TQM into organisation, new philosophy of systematic process improvement of its functioning ought to be build-in, instead of situation of fighting fires. The important role of quality circles, gathering co-workers, can not be over-estimated.

Treatment of co-workers is clearly seen in employee empowerment. The positive effects of empowerment are well documented. For example, corporation DCC puts its emphasis on the importance of employee empowerment, at high level. DCC people are encourage them to set their own goals, judge their own performance, take ownership of their actions, and identify with DCC, by becoming for example its shareholders. In TNT employees are empowered to respond to normal and extraordinary situations without further recourse and to take decisions to achieve their objectives. Texas Instruments also declares that the people empowerment is a key issue. Here it is built into company's operational approach, organized around processes, by stimulating creativity and encouraging quality teams. Similarly, Hewlett Packard stimulates teamwork and high levels of empowerment, combined with strong setting of objectives and freedom for employees to achieve them. Along with same line, Eastman Chemical Company focuses on employee empowerment, finding that company can not empower employees who do not have authority and do not have the appropriate skills [5].

J.S. Oakland states that there are three common initiatives in successful organizations which set a great store by [5]:

- Corporate employee suggestion schemes, which provide a formalized mechanism for promoting participative management, empowerment and employee involvement;
- Company-wide culture change programs in form of workshops or events used to raise awareness and to empower individuals and teams to practice continuous improvement;
- Measurement of key performance indicators, by means of which the effectiveness of staff involvement and empowerment is measured for improvement in human resource key performance indicators, such as labour turnover, accident rate, absenteeism and time lost through accidents. Typically, key performance indicator measurements, coupled with appraisal feedback and survey results, are regularly reviewed by human resources director who uses the information as the basis for reports and suggestions for improvement to the board.

On a more general level, successful organizations increase commitment by empowering and involving more and more of their employees in formulating plans, which shape the business vision. As more people understand the business and where it is planned to go, the more they become involved in and committed to developing the organization's goals and objectives. For effective leadership management must get close to their employees.

Active team engagement of full staff to work on improvement of quality is probably the greatest challenge in the whole chain of activities in introduction of TQM to organizations. The awareness of the importance of quality factor for organization's market success is still limited, especially amongst workers. Top management is deeply influenced by some factors, also the threat of job loss. It has been stated that in Poland two times more persons from top management reach the satisfaction from their work than workers. Some differences are noticed in dependence of regional location of organisations.

The fulfilment of customer needs should be reached with minimal costs. The production processes are still often organised in the way to minimise first of all the costs. The quality level is only the derivative of this fact. Changes connected with privatisation increase the range of the application of economic tools of management, mainly for minimisation of costs.

Cultural change is not often met in many organisations because the culture, as a system of common values and goals, is mainly the stable element of organisations. In many corporations the endeavour to reach first of all the quantitative goals, especially financial, is very strong. Treatment of co-workers as a most valuable element of organization is still not very often met, especially in the era of economic crisis. Improvements, which are not leading to above mentioned financial goals, are not popular. As an element of desired culture change, the need of continuous rationalisation of organisation structure is seen. This idea is still often new, especially to staff of state-owned organisations.

Interesting ideas were expressed in this matter by Dr. Jan Wedel, the owner in 1919-1939 of the best chocolate plant in Poland „E. Wedel”. He said: "To endow the people in such a way that one can select the best from the best, to produce using best ingredients and to do not care that the competitors have lower prices; to go forward only aiming at the highest quality, with the prices fully justified by delicious taste and elegant packing of chocolates".

To find the reasons of such a revolutionary approach, we need some information from the life of Dr. Jan Wedel. Starting in 1919, after the death of his father Emil, with some tens of workers, he attained in 1939 the personnel of 1350 workers and the image of the best chocolate and chocolate confectionary producer in Poland. Before joining his father factory, he studied at the university in Fryburg (Switzerland), where he obtained Ph.D. in chemistry; he further completed his knowledge at the Mechanical Engineering Faculty, Technical University Berlin-Charlottenburg; he went through the practical training in confectioneries and chocolate factories in Britain, France, Germany and Switzerland.

The specific approach of J. Wedel to quality problems has been described showing that according to the some items from up-to-date quality requirements, some 75 years ago he fulfilled demands of the current quality standards [6].

In area of management tasks we can treat the declaration quoted above as his commitment to quality policy. J. Wedel spent daily in his office only one hour. In the rest of his working day he was monitoring the process of chocolate production, starting from raw material and ending at the finished product, consulting problems with staff in many places in factory, treating in this way the coworkers really seriously.

For the production of the cream chocolate candies the best ingredients were used as old cognacs and wines, the most aromatic fruits and the best sorts of chocolate. Just before the 2nd World War, the first steps toward the buying the plantage of cocoa grain in South America were taken for the assurance of the stable quality of this raw material. Quality of milk was very carefully checked and most of it came from the farms located in Poland's submountain region. Suppliers, whose products were two times called questionable, were unappeasably dismissed from the suppliers list.

The packing of products, designed by artists, was often formed in series, as "Fairy-tales", "Cars", "Plains" or "Movies", where photos of film stars were attached. They were not only beautiful but also very well protecting the products against the quality changes. Together with the very high quality of product, they caused that in 1934, during the 11-months lasting round-the-globe trip of Polish sailing-boat "Dar Pomorza", tested chocolate did not change their taste and look. Treatment of products non-conforming to quality standard was very formalised. Faults found from time to time were corrected by withdrawing the lots of products, even when prepared to expedition. The passion of J. Wedel was to keep of hygienic rules. Any deviations in this matter were not tolerated.

This was the history of Wedel factory before the second war and how it is now? Unfortunately, we can not find at present such a personality as Dr. Jan Wedel was.

4 Conclusions

Since the beginning of nineties, Poland and other central European countries have undergone significant economic transformation. They have done an enormous work, using the best methods and ways available. As such also the introduction of the "new culture" into organisations is regarded. It can be observed among the organisations, which are ISO 9000 certificate holders for some years that they try now to reach higher level of excellence by shaping their own individual corporate culture.

The positive results for the external situation of corporate after introducing organizational culture, focusing on treatment of coworkers, are listed below:

- Better image of enterprise on the Polish and global market, also more clear cultural nature;
- Maintaining of the prices of the products at the same level;
- Better starting point for contracts negotiations.

In organization, the following positive effects of this introduction are:

- Precisely defined rights and duties on the every job;
- Possibility of revealing of all faults, errors and mistakes by effective identification of their reasons;
- Increasing responsibility for quality through the personnel;
- Respect for the order and precision in ever activity;
- Decrease of defective products, reaching according to value 50-60 %.

As we see many of them have really roots in co-workers treatment.

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