PROFESSIONAL PAPER

THE IMPACT OF CULTURE ON A RESILIENT COMPANY

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ABSTRACT

Culture within a company can be defined simply as the way a workplace behaves. It is a map of how things get done in an organization. Culture can either positively show the core values of an organization or uncover bad behaviors and practices. Companies, like Chrysler, provide an example of how culture within a company can have a large impact on not only the morale of employees, but also on profit. Other companies show examples of culture based in collaboration, as well as culture based in customer service. There are many important reasons that company culture is important. These can include, but are not limited to, defining company identity, transforming employees into advocates for the culture, boosting employee well-being, and most importantly living up to the core values of the company. In situations where the employees and culture in the organization are resilient, this manifests itself in reduced stress levels. Also, performance increases and conflict are resolved more easily.

Keywords: *culture change, company culture, organizational culture, values*

JEL classification: *L29, H12*

INTRODUCTION

In a company, the culture can have a large impact on both the success of the company and overall morale. Many difficulties will present themselves if companies fail to implement culture. A toxic company environment is a recipe for disaster. It can lead to bullying, harassment, and employee rights violations. It is an employer and/or HR professional's job to recognize these toxic behaviors and handle them accordingly [1]. Cultural change in an organization can be defined as the company's beliefs, values, and attitudes, and how it affects the employees of the organization. There is a strategy to creating or changing the culture of a company. The first step is going to be determining if cultural change is necessary. The next step is to decide what changes to make. The human resources team is responsible for implementing changes to the culture within an organization. There are many factors affecting cultural change. These factors include company values, employee feelings, and overall goals of the organization. It is not easy to manage culture within a company, but it is essential to the company's success [1].

THEORETICAL OVERVIEW

There are many companies that put creativity as part of their company culture and definition. Chrysler is an example of how cultural change can have positive impacts on a company. Cultural change is not easy, and success is not always guaranteed. Looking at company culture from other organizations can also It is important to consider the company values as well as employee values when implementing company culture. Company culture helps to build its identity and builds the company into a team that will work together toward common goals [2]. Cultivating a resilient culture involves creating an environment that supports employees, tracking business

resilience, broadening the talent pool, and investing in people [3]. Special attention should be paid to connecting different cultures, considering that they can cause conflict. Therefore, cultural diversities should be respected in organizations, with the implementation of employee training [4]. In addition, according to Kittopoomwong, Salamzadeh [5] to achieve strategic resilience is necessary to integrate open communication systems, technological diversity, interactive control, and embracing low-context cultures to foster adaptive innovation and clear communication. In this context, the role of leaders and managers should not be neglected [6].

DISCUSSION

Culture within a company is a dominant component to their success. One example of how cultural change can impact an organization is Chrysler from 1991-2001. Chrysler was struggling in the early 1990s. Their customer service was awful, their products were outdated, and the technology they were using was behind their competitors. With their market share falling, leaders in the company had to implement change to turn the company's reputation and profit around. Chrysler bought AMC, which brought about cultural change. Their executive and engineers played a major role in Chrysler's culture because they used more functional methods. Two AMC vehicles also became big sellers under Chrysler which helped their market success [2]. A big portion of why Chrysler was able to successfully change their culture was because they had a set of objectives that were agreed upon at the beginning. All employees were involved in setting goals and coming up with a plan to stick to those goals. Everyone on the Chrysler team was responsible for sticking to the plan and living up to company expectations. While cultural change can be beneficial to a company, it isn't necessarily easy or foolproof. One of the challenges Chrysler faced was their senior leaders lacking complacency. One of their senior leaders,

Bob Eaton, began to hire more management between line workers and higher-level management officials. This creates more of a separation between the two levels of employees, which can minimize the team aspect within the company's culture [2].

Business owners and managers can look towards other companies other than Chrysler to see positive examples of cultural change. One example is Warby Parker. Warby Parker is an online eyeglasses retailer. Warby Parker's CEO, Neil Blumenthal, places a large emphasis on collaboration to determine the values of the company. The company also believes in honest and open communication to gain cultural clarity [3]. Zappos is an online shoe retailer that is known for their stellar customer service. Their company culture is based in providing the best service experience and show their commitment through business decisions they make. One of those decisions included moving their customer service team from San Francisco to Las Vegas to expand the team. Another decision is offering a "culture camp" that teaches professionals how to build a team and expand company culture [3].

There are many reasons why company culture is important. One of the reasons is to help define the company's identity. It defines identity for the employees within the company, as well as for those doing business outside the company. Another reason company culture is important is because it can turn employees into advocates for the company. When employees feel a purpose at work and feel like they matter, they will become advocates for the organization's culture. Companies can expand their employee advocates by recognizing and rewarding good work [7]. Company culture is also important because it impacts employee performance and morale. A healthy culture brings balance to the workplace and that in turn has a positive effect on employee well-being. One of the final reasons, and one of the most important reasons, company culture is important is living up to core values. A team is only as strong as its foundation, and in a company the values exemplified in the culture are the

foundation. The way a company operates should represent who they are, but it could also point out when values are being betrayed [8].

CONCLUSION

Today, creativity is needed more than ever due to the ever-changing world of technology, communication, and business practices. In order to stay ahead of everyone else, it is necessary to use creativity to define organization from any other organization. In conclusion, culture is a large indicator of the goals and values of a business. Other business can look to large companies that have successfully implemented their culture for the better and learn from them. There are many reasons why company culture is important, but just focusing on one or two reasons is a good start to building a strong culture. Understanding the way companies are resilient in the real world is crucial for thinking about developing strategies to enhance their resilience [9, 10].

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