

STUDY REGARDING THE IDENTIFICATION OF THE KEY CULTURAL VALUES OF MULTINATIONAL COMPANIES. A COMPARATIVE STUDY: EUROPE, ASIA, USA.

Amalia PANDELICA¹, Marin IONICA², Paul PETRESCU³

¹Faculty of Economic Sciences, University of Pitești, Romania

amalia.pandelica@yahoo.com

²Faculty of Economic Sciences, University of Pitești, Romania

marin.ionica@yahoo.com

³Faculty of Economic Sciences, University of Pitești, Romania

Abstract: *Organizational culture is an important aspect of the company success. Each company develops an authentic culture. Still it is important to know what are the key cultural commune values that are linked with the company success. Thus, the purpose of present study is to identify such key values, taking as analysis base the most performant companies worldwide. With this purpose 28 multinational companies were selected from Forbes 500 companies and were analyzed in Hofstede model perspective. The results of the study emphasized that the multinational companies have strong and some fundamental cultural values that are shaped to some extent by national culture.*

Keywords: organizational culture, multinational companies

JEL Classification codes: D230, F230

1. INTRODUCTION

Organizational culture could be considered a model of norms, values, beliefs and attitudes which affects behavior of the employees (Schein, 1986). The definition of the organizational culture exists in many versions, organizational culture became a fashion topic in the 1980' when a few authors talked about the importance of the shared values that provide employees with norms in the firm (Baird, 2007), others consider that organizational culture is a set of cognitions shared by members of a social unit (O'Reilly, Chatman, and Caldwell, 1991)

Berson (1992) defines culture as a pattern of shared values and beliefs that help individuals understand organizational functioning and thus provide them with norms for behavior in the organization (Berson, 2003.) Organizational culture may be consider a strategic asset for the company in that it increases the adaptability of and fit between an organization and its environment (Kotler, 1992).

Corporate culture consists of a set of values, beliefs, customs, principles and way of thinking that their members have in common (Markoczy and Xin, 2010).

Organizational culture is a combination of human elements of conscious and unconscious, rational and irrational, group and individual with a major impact on the functionality and performance of the company (Nicolescu, Verboncu I, 1999).

¹ Ph.D. Lecturer

² PhD Professor

³ MBA student

An organization culture is reflected by what is valued, the dominant leadership styles, the language and symbols, the procedures and routines, and the definitions of success that make an organization unique. Inside an organization, subunits such as functional departments, product groups, hierarchical levels, or even teams may also reflect their own unique cultures (Kim, Cameron and Quinn, 2006).

Organizational culture can be defined as "the collective programming of the mind that distinguishes the members of one organisation from others"(Hofstede, 2001).

In this study we were focusing on identification of the main cultural values that ensure the success of multinational companies from three regions with different national cultures.

2. LITERATURE REVIEW

In this part we tried to analyze previous researches of the relationship between organizational culture and national culture from the multinational corporate point of view, especially the way in which organizational culture is influenced by the national culture. Further on, we are going to talk about different points of view on organizational culture and national culture as well as their dimensions, highlighting Geert Hofstede's perspective.

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In our vision, organizational culture can be defined as the optimum combination of the human characteristics: values, beliefs, attitudes, individual or group which manifest in a company that strongly influence the success or failure of members and the company as a whole.

Hofstede has shown that the differences between organizations are especially identified on the level of practices, thus, he developed a model with 8 dimensions of corporate culture, but in this study we were analyzed just 6 dimensions(www.geert-hofstede.com): **Means oriented vs Goal oriented** - in a means oriented culture the key feature is the way in which work has to be carried out; people identify with the "how", but in a goal oriented culture employees are primarily out to achieve specific internal goals or results; **Internally driven vs. externally driven-**

this dimension is distinguishable from means versus goal orientation because in this case it is not impersonal results that are at stake, but the satisfaction of the customer, client or commissioning party; ***Easy going work discipline vs strict work discipline***- this dimension refers to the amount of internal structuring, control and discipline; ***Local vs. professional***- in a local company employees identify with the boss and/or the unit in which one works. In a professional organization the identity of an employee is determined by his profession and/or the content of the job; ***Open system vs closed system***- this dimension relates to the accessibility of an organization; ***Employee oriented vs work oriented***- this aspect of the culture is most related to the management philosophy per se because in **very** employee oriented organizations members of staff feel that personal problems are taken into account and in **very** work oriented organizations there is heavy pressure to perform the task even if this is at the expense of employees.

A lot of researchers believe that national culture has a powerful influence and is the essence of organizational culture and the resulting behaviors of employees (Adair et al. 2001; DeVoe and Iyengar 2004; Tsui et al.2007).

Although many authors had given different definitions of organizational culture, they all consider that national culture plays an important role in the way a strong corporate culture is created, developed, shaped and maintained.

Social scientists define national culture as way of thinking, feeling, and acting rooted in common values and conventions of a society. The conceptualization that embodies this definition and appears most useful for our framework is Hofstede and Bond culture factors. Through separate studies, they arrived at similar conclusions about the nature and structure of national culture.

The national culture dimensions(www.geert-hofstede.com) are: ***Power Distance (Pdi)***- the fundamental issue here is how a society handles inequalities among people, this index informs about the dependence relationships in a country; ***Individualism Versus Collectivism (Idv)***- the value of an individual's rights, characteristics, and identity over those of the group, a society's position on this dimension is reflected in whether people's self-image is defined in terms of "I" or "we"; ***Masculinity Versus Femininity (Mas)***- this dimension represents a preference in society for achievement, heroism, assertiveness, a competitive society or its opposite, femininity, who prefer cooperation, modesty, caring quality of life; ***Uncertainty Avoidance (Uai)***- The fundamental problem is how a society deals with the fact that the future can never be known; , ***Long-Term Versus Short-Term Orientation (Lto)***- the long-term orientation dimension can be interpreted as dealing with society's search for virtue; ***Indulgence Versus Restraint (Ivr)***- the issue is that the society wants to be more indulgent or wants to be more restraint.

In one editorial, entitled "The World's View of Multinationals", the well known British magazine "The Economist" concludes that multinationals are the most representative factor of economic progress. They spread wealth, work, technologies that raise living standards and better ways of doing business.

Understanding the balance between local and global forces which occur in the process of developing and maintaining organizational culture is important to understand the extent to which an multinational corporate can function efficiently. They are unique in each different region where the enterprise blends the social cultural influences of that particular context with the shared goals of one organization, and the necessity of functioning smoothly as units of a single, global entity (Kwantes).

Bartlett and Ghoshal (1998) consider that there are three models which can talk about the degree to which the organizational culture of a multinational corporate headquarters influence organizational culture at the local level.

The first model is of the *Japanese companies*, where control over subsidiaries tends to be very centralized. In this case, local organizational cultures tend to be highly reflective of the organizational culture of the headquarters of the organization.

The second model developed from the management styles and practices of *European multinational organizations*, where localization is emphasized, along with intentional attempts to be sensitive to local norms and behavioral expectations. This model results in organizational cultures at the local level bearing a resemblance to the organizational culture at the headquarters only to the extent to which the national contexts are similar.

The third model was built on the *American management style*. According to Bartlett and Ghoshal (1998), American organizations tend to set formal policies and practices at headquarters, and then expect that these policies and practices will be adhered in local subsidiaries as well. This approach is more flexible than the centralized approach, yet more structured than the socialization approach.

A lot of authors found that the first model of the Japanese companies was quite different from the American model or the European model and that the Japan model had a strong effect on the research and development activities of the subsidiaries of the company. Therefore, this model can be used to better understand the relationship between the organizational culture of the mother company and the subsidiaries.

Hofstede (2003, 2004) was one of the few researchers who study the relationship between the national and organizational culture, and he believes that national and organizational cultural aspect derived from different sources. National culture in terms of Hofstede, encompassing a set of guidelines rather diffuse appeared as primary values formed at the beginning of life in the family and other social mechanisms that operate early in childhood. Although there are specific values can be established at the organizational level, however, the cultural dimension is based here on work practices learned in the organization, especially through social processes that act later in the life of the individual, thus reveals the existence of a culturally and a certain level of employment that interferes and is influenced by both value and practical.

In his research Hofstede found significant cultural differences within a single multinational organization. According to his study, national culture explained 50% of the differences between employees about their attitudes and behavior. National culture explained more differences than reveal together: age, occupation and gender. In conclusion, employees and managers bring their ethnicity at work.

The research made in 2010 by Kwantes , Boglarsky and Kuo regarding a multinational company, analyzed the organizational cultural of headquarters and 2 subsidiaries, three countries (U.S., U.K., China) confirmed the result of professor Hofstede, thereby the employees in the organization viewed almost half of the organizational culture styles similarly, indicating both a degree of commonality of experience in the organization and differences based on the local context of the organizational locale. Also, in their study was confirmed that the organizational culture experienced in the Hong Kong context by employees in this study was distinctly different than the organizational culture in either the United States or the United Kingdom.

Thus, foreign subsidiaries tend to maintain the organizational cultures of their home culture firms.

Given our analysis regarding the relationship between national culture and corporate culture and the way in which organizational culture of the headquarters tends to transfer herself to the company's subsidiaries it's important for future research to concentrate on finding more instruments, methods to study and measure the performance and success of top multinational companies for better understanding the way in which an corporate culture can be adapted to a national culture.

In the conceptual and empirical context described above, the present study is focusing on identification of the key organizational culture values of the multinationals companies settled in different national cultures – Europe, Asia and United States of America.

3. RESEARCH METHODOLOGY

In the first stage of the research process it was established the base of selection of the multinational companies in order to be introduced in the analysis for organizational cultural values identification. In order to achieve the purpose of the study, it was decided to be used Forbes 500 companies 2012 as selection base. From this list there was selected the 30th top companies, two of them being excluded taking into account that their home country was Brazil. Thus, in the analysis there were introduced: Exxon Mobil, JPMorgan Chase, General Electric, Berkshire Hathaway, Wells Fargo, Chevron, CitiGroup, Wal-Mart Stores, Apple, ConocoPhillips, Samsung Electronics, Toyota Motors, Sinopec China Petroleum, Bank of China, Agricultural Bank of China, China Construction Bank, PetroChina, ICBC, Royal Dutch Shell, HSBC Holdings, British Petroleum (BP), Gazprom, Volkswagen, Total, BNP Paribas, Banco Santander, Vodafone, ENI.

In the analyzing process the secondary sources of data were used – websites, different internal and external reports. Base on the data gathered a full report was generated that reflects the key organizational culture values in the three cultures – Europe, Asia and United States of America.

4. ANALYSIS OF THE MULTINATIONAL ORGANIZATIONAL CULTURE AND RESULTS

Organizational culture is an important aspect of a multinational company because the organizational culture is the perfect combination of beliefs, principles, values, attitudes and others human elements in which all the employees believe, for every company the organizational culture is vital in order to fulfill their goals and their objectives, to gain profit.

In the multinational companies the organizational culture is influenced by the national culture because the companies are operating on the global markets where we can find big differences from one economic environment to another, from one national culture to another and the diversity of the national cultures proves how strong is a multinational's organizational culture because the company has a lot of employees of different nationality who share the same values, attitudes giving the companies the opportunity to achieve their goals.

The following analysis is based on Hofstede's researches regarding the organizational culture and national culture of the multinational companies from United States, Asia, Europe.

4.1. The organizational culture in United States Multinational Companies

Top U.S. companies have achieved success by developing strong organizational cultures, but they are also influenced by national culture in which the subsidiaries operate. American society is strongly focused on individualism, there are equal opportunities for men and women to succeed, power distance is rather small which helps the communication between manager and subordinates, thereby the manager receive efficiently feedback from his employees. Short-term orientation of U.S. companies shows a strong goal orientation, innovation which are typical values for a society focused on performance.

The United States companies which we have analyzed are among the best companies in the world and they are: *Exxon Mobil, JPMorgan Chase, General Electric, Berkshire Hathaway, Wells Fargo, Chevron, CitiGroup, Wal-Mart Stores, Apple, ConocoPhillips.*

The organizational culture dimensions of United States multinational companies:

1. Means oriented vs Goal oriented - In the American society goal orientation prevail, it's a culture with masculine characteristics, the focus is on results, profit, competition between employees occurs at all levels in the United States multinational companies. Achieving performance, achieving the goals is desired in a relatively short period of time. Innovation is the combination of hard-work, skills, performances of the company's employees and large amounts of money invested, which helped **Apple**, **General Electric**, **Exxon Mobil** to develop new technologies and new products becoming the most important in their field, in the same time protecting the environment. Companies constantly seek to improve their work activities and means, manufacturing methods, their technologies but the organization's goals are more important, a good example of combining efficiently **means orientation** and **goal orientation** is **Apple**.

Goal orientation is proven in almost every company's mission or visions statement or the way how the multinational companies define their organizational culture, here are some examples of missions, visions, values of the companies: **Exxon Mobil** describes its culture in key-words: *informal, results oriented, down-to-earth, leading in technology, international*, while **Chevron** is passionate about achieving results that exceed expectations - their own and those of others, **Wells Fargo** is a growth company that believes the key to the bottom line is the top line, **General Electric** consider its culture to be among her innovations. General Electric's culture is a place for creating and bringing big ideas to life, **Apple** is committed to bring the best personal computing, portable digital music and mobile communication experience to his costumers through its innovative hardware, software, peripherals, services, and internet offerings (Apple Inc. - Annual Report 2007), for **Citigroup** the key values that guide the company are: *common purpose* - one team with one goal; *responsible finance*; *ingenuity*; *leadership* - talented people with the best training.

2. Employee oriented vs. work oriented - **Employee orientation** is the most common for the United States multinational companies, the employees are considered most valuable assets that a company such as **Exxon Mobil**, **Apple**, **General Electric**, **CitiGroup**, **Chevron** can have and therefore the companies offer their employees a lot of opportunities, internships to learn, to improve their work and develop a career in the organization, only with great employees the companies can hope to reach this objectives and his targets, achieving the success which the companies wants. Big companies manage to combine in an efficient way the **employee orientation** with the **work orientation** because they have the knowledge, experience and well trained people which help the company to achieve success.

United States multinational companies talk about how important are their people in the mission, vision statements, definitions of organizational culture or into the human resources policies, here are a few examples: **General Electric** - People are GE's greatest asset and they are passionate about making life better with new ideas and technologies, **JPMorgan** said: "Along with our reputation, our people are our most valuable asset", **ExxonMobil's** greatest strength is the exceptional quality of her employees and the combined talents of the workforce help us to lead the competition, **Wal-mart** said, "Our people make the difference, we've worked hard to build an environment that emphasizes integrity, respect, open communication and innovation, at **ConocoPhillips** people are the driving force behind the company's success, its people have been the catalyst for innovation in all aspects of the business.

3. Local vs professional - American companies are **internal oriented** because the employees know that they are in the company for their skills and capabilities and they have to anticipate, to decide their future. The employees identify with their work and the content of their work in these companies, an example is an engineer at **Apple** who develops a new technology.

This approach is common to the societies which have masculine features and is found in organizations such as *Citigroup, Exxon, General Electric, Apple, Wal-Mart, etc.*

General Electric says: “Our employees’ performance can only flourish in a sound work environment. That is why General Electric is committed to supporting its leadership culture through systems and policies that foster open communication, maintain employee and partner privacy, and assure employee health and safety”.

JPMorgan says: “We – and our clients – have experienced first-hand the benefits of being actively inclusive, operating as a meritocracy, and embracing diversity to harness the talent and experience of our best individuals. These and other aspects of our culture enable creativity and entrepreneurship to thrive.”

4. Open system vs closed system - open system orientation is encountered in America, the companies combine perfectly this orientation with employee orientation by creating especially for the new employees training programs, internships, team building activities and programs for integrating much faster the new employees into the organization and to share the company’s values, believes, to join to the organizational culture of the company.

Here are few examples of how the companies described their open system orientation: *JPMorgan* is proud of the strong and open culture that exists within his firm. The employees are able to deliver candid and constructive feedback to their colleagues, *Exxon Mobil*’s new employees get straight down to work. Employees can always ask their co-workers in case they have any questions, because *Exxon Mobil* strongly believes in an open-door policy, where anyone can approach anyone else across the world if they have questions to ask, *Wal-Mart point of view is defined by Sam Walton* who believes in the power of teamwork. As the stores grows, the philosophy of teamwork has only become more important (and successful) over the years.

5. Easy going work discipline vs strict work discipline – United States companies have **strict work discipline orientation**, therefore the employees are confronting with an intense control because the company focuses on results, so in order to achieve its goals in a period of time it’s necessary an intense control over the employees activity, the **easy going work discipline** can be used by the companies only on very short period of time because otherwise achieving the goals in a reasonable period of time will not be possible.

Exxon Mobil describes very well this orientation in its corporate culture regarding the results orientation: “At regular intervals, the employees will meet with their supervisor to discuss their responsibilities and their performance.

6. Internally driven vs externally driven- Externally driven is present in almost all U.S. companies, in the actual global context all companies must realize the importance of their costumers in order to assure a successful business, on international markets where are a lot of companies which are fighting for customers, companies need to understand their customers desires to provide them good products and services. Corporations such as *Wal-Mart, Citigroup, Exxon, Chevron, Apple*, etc. consider customer’s needs as the most important challenges that the companies have to solve.

Companies take into account the internally driven perspective and have a constant concern regarding developing new technologies, new products, improving the processes, systems but the costumer is more important because if there isn’t a costumer who needs that product and the product is not bought, then the whole production process will be in vain.

We present a few examples from the companies point of view: *Berkshire Hathaway* understands that his customers are the most important part of his business and they are trying to provide the highest level of customer service and integrity for his clients, *CitiGroup* has a key word in his values statement - Common Purpose - One team, with one goal: serving our clients and stakeholders, *JPMorgan* says “Our clients appreciate that we understand their needs and act

in their interest.”. *Wells Fargo* says “*We want to satisfy all our customers’ financial needs and help them succeed financially.*”

4.2. The organizational culture in Asian Companies

Organizational culture of the Asian corporations was a important factor in the ascension of these companies by 1960 - 1970. Compared with the United States, Asian countries such as Japan, China, South Korea would be at the opposite because of the dimensions of the national cultures, so it could be said that Asian companies shouldn’t have succeed.

Asian culture is that special something that made possible for companies from China, Japan to achieve success. Asian companies are strongly oriented towards collectivism, the male is the one who has all privileges, the power distance is quite large but the way of decision making, mainly consensus drastically reduce this distance. There are many companies that have restrictions, the orientation is focused on long-term and the risk assumption is almost nonexistent.

The Asian companies analyzed by us are within the world's best companies: *Samsung Electronics, Toyota Motors, Sinopec China Petroleum, Bank of China, Agricultural Bank of China, China Construction Bank, PetroChina, ICBC.*

Dimensions of organizational culture in Asian companies:

1. Means oriented vs Goal oriented - In Asian culture the *means orientation* prevalent, but there is a big concern *for results, for goals too*, in a society with strong features of collectivism, with a long-term orientation that focuses on improving and perfecting processes, competition between employees and companies is almost missing. Companies such as *Samsung Electronics, Toyota Motors, Sinopec China Petroleum, Agricultural Bank of China, Petrochina* concentrate on improving the process, systems and on innovation.

Innovation is realized in Asian companies with well-trained people who are able to learn quickly which drives to new products, new technologies which are revolutionizing different fields of the global economy, examples are Samsung Electronics with their products which embed new technologies, Toyota made products that revolutionized the auto industry.

Asian companies which focus on process and means prove their orientation in how they define the mission, vision statements, values, organizational culture and these are a few examples: *ICBC* presents his values of "excels in integrity and quality services to achieve long-term ambitions" encompass five basic dimensions: "integrity, employee-centric, stable growth, innovation, and excellence, *Samsung Electronic* new vision reflects three key strengths: "*New Technology, "Innovative Products, and "Creative Solutions.*" -- and to promote new value for Samsung's core networks -- *Industry, Partners, and Employees, Toyota* through improvements of conventional technology, as well as pioneering efforts in the application of new technologies, Toyota is taking great steps to develop eco-cars which will help us become a low carbon society, *Sinopec China Petroleum* says “We will emphasize development quality and efficiency, technological progress ,green and low carbon, and people-orientation further. Additionally, we will constantly improve our value creation ability and sustainable development ability, and to transform from a traditional energy and chemical company to a clean, environment-friendly, low-consumption and efficient company.”

2. Employee oriented vs work oriented - *Employee orientation* is well known for the Asian companies and comes from Asian culture. The employee is considered for the Asian companies a precious value that a company like *Samsung Electronics, Toyota Motors, Sinopec China Petroleum, Bank of China, Agricultural Bank of China, China Construction Bank, PetroChina, ICBC* can have. Therefore there is a great concern to provide to the employees means, programs to learn, to improve because in the Asian culture a man is hired for life in a

company, the company will help the employee to develop a career and helps him with his life's problems.

All the companies analyzed are *employee oriented*, in their mission and vision statements is obvious, here are some Asian companies which consider the employee an important value: **Samsung Electronics** shares and cares about its employees' concerns over their health, children's education and post-retirement life and helps them prepare for their future in order to enhance employee satisfaction and provide better working environments. In addition to the basic legal welfare programs such as premium subsidies for National Pension, Industrial Accident Compensation Insurance and Employment Insurance and Samsung encourage employees with the following statement: "We also offer incentives for idea suggestions to encourage our employees to proactively participate in knowledge sharing within Samsung Electronics. As a result, a total of 3,515 patents were filed in the U.S. in 2008", **Petrochina** consider that "The company is the platform for employee's existence and development, and for the realization of their career pursuit and individual value."

3. Local vs professional Asian companies are *strongly local oriented* and consider that the company is concerned and cares for the employee's career and in the same for his family situation, this dimensions has a lot of connection with the relationship **Oyabun – Kobun** because the new employee (**Oyabun**) is trained by an experienced employee (**Kobun**), so from the relationship **Oyabun – Kobun** the employees tend to identify with the boss of the unit in which they work. This orientation is something typical for the Japan companies, for Asian companies and here too the employees are seen as important assets for the company. This approach is encountered in big companies like **Samsung Electronics, Toyota Motors, Sinopec China Petroleum, Bank of China, Agricultural Bank of China.**

Sinopec has an *operation concept*: "Good Faith, Standards, Cooperation, Co-Win"—Make a concerted effort with all parties for mutual progress.

4. Open system vs closed system - Open system orientation is very common for the **American companies** as well as for the **Asian firms**, companies perfectly combines *open system orientation* with employee orientation for which creates training programs for the new employees and practice job rotation so that the new employees learned the way the company runs and with this aspects together with the relationship **Oyabun – Kobun** makes the new employees integrate much faster in the company and share the values, believes of the company.

China Construction Bank says: "We seek to become a world-class bank by providing the best service to our customers, maximizing shareholder value and providing excellent career opportunities to our employees. We intend to focus our efforts on our target customers, products and geographical regions"

5. Easy going work discipline vs strict work discipline - Asian organizational cultures are oriented towards an *intense control*, being a restrictive society, they are seeking to obtain results which requires an intense control over the employee activity and needs to take appropriate measures at the right moment.

Sinopec China Petroleum developed a company wide internal control system. The system has undergone amendment and update annually in light of the changes of external supervision and internal management, and in conjunction with problems and opinions arising in implementation. Meanwhile, the Group conducts systematic risk assessment on a regular basis and formulates risk management strategy and solution accordingly. As a result, risks of all kinds are kept under control and the level of business administration and ability of risk prevention is improved. Sinopec Corp. makes continuous effort to regulate its operation and improve its corporate governance. It adopts a corporate governance structure consisting of meeting of shareholders, board of directors, supervisory committee and senior management team.

6. Internally driven vs. externally driven – Externally driven prevail in U.S. and Asian companies, in the current economic climate all companies realize the importance of their customers for their business. Corporations such as *Samsung Electronics, Toyota Motors, Sinopec China Petroleum, Bank of China, Agricultural Bank of China* consider customers needs the most important problem that the companies need to find the best solutions.

Furthermore we present the point of view of the Asian companies: *Petrochina* consider: “Service creates the market: the company takes the customers' benefits as the focus, and satisfaction of customers' needs as the supreme end.”

China Construction Bank says: “We seek to become a world-class bank by providing the best service to our customers, maximizing shareholder value and providing excellent career opportunities to our employees. We intend to focus our efforts on our target customers, products and geographical regions”, *Bank of China's* mission is to: build customer satisfaction and provide quality and professional service; offer rewarding career opportunities and cultivate staff commitment; create values and deliver superior returns to shareholders.

4.3. The organizational culture in European Companies

European companies achieved success by developing powerful organizational cultures that are influenced by the national culture where are the corporate headquarters. The organizational culture of the companies in Europe can be considered a combination of the Asian culture with the United States culture, regarding national culture, as well as organizational culture. We can observe that European culture borrows from the American culture features such as low power distance, masculinity, individualism, short-term oriented for countries like Germany, Netherlands, United Kingdom, Italy. European culture borrows from Asian culture uncertainty avoidance, indulgence, femininity, power distance for countries such as Spain, France.

Short-term orientation of U.S. companies is borrowed by European cultures that demonstrate the strong orientation towards results, performance – key features for a society that relies on performance.

European companies which are among the world's best companies are: *Royal Dutch Shell, HSBC Holdings, British Petroleum (BP), Gazprom, Volkswagen, Total, BNP Paribas, Banco Santander, Vodafone, ENI*.

Dimensions of organizational culture in European companies:

1. Means oriented vs Goal oriented – Most of the European corporations are more *goal oriented* for example is goal orientation prevail in societies with masculine features like Germany, Great Britain Italy the focus is on results, profit-driven, recognition of merit, competition is high at all levels of multinational companies and on markets while firms in countries such as Holland, France, Russia which manifest feminine features concentrate on developing a favorable climate for work, relationships between employees, teamwork the *means orientation* is common. Goals achieving and performances at the job are important objectives that have to be accomplished on short-term. Big companies focus on the best result of their employees and invest a lot of funds to create and develop new technologies, improve production systems for achieving their purpose of being the best in the industry, but also protecting the environment. Companies constantly seek to improve processes carried out by the organizations, companies such as *Volkswagen, Vodafone, HSBC, Royal Shell, etc.* efficiently combine their resources with knowledge to have results and to keep their stakeholders happy.

The goal orientation of the European companies can be seen from their mission, visions statements, the companies values, believes, ideas and business principles, here are some examples:

HSBC Holdings goal orientation can be demonstrated by his values such as *performance-focus* - drive leading, competitive levels of performance, act with urgency and intensity prioritize, simplify; *efficiency* - focus on cost discipline and process efficiency and in fact that “We manage all post-trade activity for global markets across 60 countries. In order to stay ahead, we're investing in our infrastructure to build capacity and support business growth. In everything we do, we apply a results-driven, global focus.” **Royal Dutch Shell** says in his vision statement “We seek a high standard of performance, maintaining a strong long-term and growing position in the competitive environments in which we choose to operate. We aim to work closely with our customers, our partners and policymakers to advance more efficient and sustainable use of energy and natural resources.”, **Vodafone** consider that “We're ambitious. We're open-minded. We're flexible. We enjoy working together. We embrace technology. And we're excited by the future. Good thing, too – after all, we're leading an industry that's challenging, lightning-quick and constantly changing.”

2. Employee oriented vs work oriented – orientation towards employee is common in European organizations, all companies understand the importance of their employees because they are maybe the most powerful tool that can help a company like **Royal Dutch Shell, HSBC Holdings, BP, Gazprom, Volkswagen, Total, BNP Paribas, Banco Santander, Vodafone** or **Eni**, etc. to achieve the success because you can have important resources, funds but if u don't have capable employees to run the company and take the right decisions, then it can be useless. Work is important for the companies, better systems, improving procedures, better skills for the employees is a strong concern for organizations and they provide learning opportunities, training for employees. Big companies are oriented on a middle line, they are not to **employee oriented neither work oriented**.

Volkswagen's success is based on the qualification and personal commitment of around 500,000 people (December 31, 2011). A company will only be able to survive in the face of international competition if it has a top team, characterised by a high level of competence, dedication, inventiveness and fitness, active contribution of ideas and participation are expected of all staff members, **Gazprom** says that “The company affords ample opportunities for its employees to realize their potential and develop their careers. We are a team of professionals pursuing the Company's strategic goal of becoming a leader among the global companies.” **Royal Dutch Shell** Our people are central to the delivery of our strategy and we involve them in the planning and direction of their own work. We create a work environment that values differences and provides channels to report concerns. We value communication and consultation with our employees, directly or via staff councils or recognised trade unions, **Eni** says that a part of **Eni's** culture is “the central importance of the individual and their welfare, the development of their capabilities and skills, the fulfilment of potential through the full expression of their energy and creativity, creating a work environment that gives everyone the same opportunity on the basis of common standards of merit and without discrimination.

3. Local vs professional - European companies are more local oriented because the employees know that they are in the company due to the skills and capabilities which they have acquired in their trainings and they have to decide their own way and the role they want to play in the company. The employees identify more with his profession and with his results.

This approach is common to the organizations in societies with masculine characteristics such as **Germany (Volkswagen), Netherlands (Royal Dutch Shell), United Kingdom (Royal Dutch Shell, BP, HSBC Holdings, Vodafone), Italy (Eni), etc.**

4. Open system vs. closed system - Open system orientation type is common in Europe as well as in America, corporations combine these elements perfectly, employee orientation creating training programs, team building especially for the new employees to join to the

company's organizational culture as soon as possible and to share the firm's values, principles, believes.

HSBC demonstrate his open system orientation with the following statement "At every stage of your career, you will have the support you need to progress. We will offer a mix of formal and informal development activities, and you will be able to develop personally through involvement in our Corporate Sustainability and volunteer programmes, working at **Banco Santander** is an open opportunity to continue your professional growth. We help people to develop their full potential and to pursue careers which are increasingly rich in knowledge and experience: Participating in training programmes. Taking on new responsibilities. Participating in special projects. With career plans, staff development programmes, mobility programmes and programmes to evaluate potential, **Total** describes his *open system orientation* in this way "from integration of new hires to training for seniors, **Total** supports the development of employees throughout their career. A range of career management resources is deployed, coupled with an extensive training policy. Training must equip each employee to effectively meet the challenges of increasingly complex projects, evolving energy issues and the geographic expansion of our operations.

5. Easy going work discipline vs strict work discipline - European organizational cultures are facing intense control like the U.S., being companies that focus on results, short-term performance results need intense scrutiny over employee activity to take appropriate action to achieve goals.

British Petroleum "We recognize the need to constantly look at and improve our own organization. So, for example, we work to rigorous health and safety standards and hold all our employees to a global code of conduct. We hold all new projects to a set of environmental requirements. And we encourage each other, the people who work for BP, to raise any concerns they have about the business.

6. Internally driven vs externally driven - Externally orientation is common seen in companies from United States and has been adopted by European companies. In the current global context the organizations realize the importance of their customers for their business and for the welfare of the stakeholders. Corporations such as **Royal Dutch Shell, HSBC Holdings, BP, Gazprom, Volkswagen, Total, BNP Paribas, Banco Santander, Vodafone, Eni** consider the customer the most important element of their business so the companies try to make him happy and to provide him the best solutions for his needs.

Volkswagen considers that "The customers' needs are the foundation of our product strategies: diverse products and wide range fully satisfy customers' requirements and are self-accomplishing. We steadfastly uphold a "customer-centric" principle. We have in place a customer-service procedure and have developed a customer-relations management system. Our customers are not kept waiting by virtue of our accurate information and rapid response, **HSBC** present the values in which they believe "**Customer-focus** - provide outstanding customer experience integrated – align. **Sustainability** - take a long-term outlook, understand impact of actions on stakeholders, brand and reputation, our values and principles are carefully balanced with our commitments to all our stakeholders: customers, employees, shareholders, regulators and governments, suppliers, bondholders, other creditors, communities and societies.", **Banco Santander says** "Our goal is to offer comprehensive solutions to satisfy the financial needs of our clients and provide excellent value to our shareholders."

5. FINAL REMARKS

The present study had the purpose the identification of the key cultural values of the multinational companies, values that are linked with the success of these companies. Also, the study emphasized some differences in the key values, that are determinate by national culture. In order to achieve this purpose, 28 multinational companies were selected, the selection criterion was the performance of the companies. Thus, Forbes 500 companies was used as selection base. Into the analysis process there were introduced the top 28 companies. The analysis was conducted in Hofstede model perspective, taking into account six dimensions proposed in this model.

Organizational culture is a vital component for the performance and the success of any company, big or small. Without a strong organizational culture, a company has few chances to be competitive and to survive in a global market which is growing every day and where the competition is tough, the competitors are sharks, the companies have to develop strong organizational cultures or else the sharks will eat them alive.

In our point of view the relationship between organizational culture and national culture of the multinational companies can be explained very well with few examples, such as: In the Asian companies the decisions are taken in a consensual way although the power distance is quite large so we can see the influence of the national culture but in the same time the values of Confucianism prevail in the way the decisions are made; Companies from U.S. focused on results on short-term, Asian companies are more means orientated on a long period of time, European companies are somewhere in the middle; All twenty eight companies understand the importance of their employees, they consider their people the most important asset of the companies although they have different national culture, beliefs, values.

Hofstede and other researchers consider that national culture explain almost 50% of differences between the employees of one company so we can say that almost 50% of the national culture where the company has the headquarter is passed to the subsidiaries.

The organizational culture of the companies in Europe can be considered a combination of the Asian culture with the United States culture, regarding national culture, as well as organizational culture. We can observe that European culture borrows from the American culture features such as low power distance, masculinity, individualism, short-term oriented for countries like Germany, Netherlands, United Kingdom, Italy. European culture borrows from Asian culture uncertainty avoidance, indulgence, femininity, power distance for countries such as Spain, France.

Short-term orientation of U.S. companies is borrowed by European cultures that demonstrate the strong orientation towards results, performance – key features for a society that relies on performance, the employee orientation common with U.S. and Asian companies.

The key-features of organizational cultures for all companies that we analyzed are: a strong orientation towards goal and performance, a big concern for the employees, all companies are orientated towards an open system to help their employees build a career and to help improve their work, the customers are very important for the companies and they deserve great concern.

Analyzing the points of view of twenty eight big companies from around the world we gathered important information about the way how the organizational culture of big companies is influenced by national culture with the purpose to help developing, managing and improving strong organizational culture for companies.

The results of the study underline some certain distinctions in the dimension of the organizational culture of the companies, distinctions that are directly linked with national culture. These results sustain the previous empirical findings of the researchers that were done in international context.

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