CORPORATE CULTURE OF UNIVERSITY AS COMPOUND ORGANIZATION: MODEL AND SCHEME OF FORMATION

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Abstract

Corporate culture in modern organizations is mediate management tool; it acts through influence on interests, goals and activity manners of collectives and individual members and complements directive management techniques appreciably. Inadequate corporate culture can block "development impulses" and create risks for the very existence of organization. Universities are currently facing necessity to develop the complex organizational culture, combining both traditional academic culture of "professionals' free association" and a culture of highly productive "think tanks".

The article presents a systemic view to university corporate culture, which includes: corporate culture functions, corporate culture levels hierarchy and the idea of complex organization' corporate culture as a "topic". Topic (toposes) is a "space" in which "places" ("territories") are allocated with specific values, principles, standards, thinking and action formats for each territory and boundaries and transitions between these territories are built. In terms of organizational culture these are the places in which "culture of role", "culture of task", "culture of personality" are actualized. Such complexity of organizational culture is important for university as an educational organization; it is a resource for the students to master the activity and behavior patterns that is typical for different organizational cultures and thereby for high-level professionals' formation. The article also presents scheme of stepwise formation of corporate culture in "from precedent to tradition" logic; typical problems of corporate culture formation or development are interpreted in terms of this scheme.

Keywords: corporate culture of university; corporate culture as a system; organization of corporate culture as topic (toposes); organizational development; development management; corporate culture formation.

1 INTRODUCTION

Deformation of university "classic model" and "university crisis" are currently observed by wide range of researchers [1-3]. They argued that universities no longer follow the mission of providing social development, lose value of knowledge and academic independence, and turn into a business corporations. At the same time university leaderships occupy manager positions and manage university as a business organization while professors go into a subordinate position and university transforms from "temple of science" to "market place" [4]. The crisis of universities has a cultural and historical character and occurs simultaneously in many countries worldwide. In our opinion "university crisis" can be viewed as a symptom of coming transition from university of industrial society to university complying with post-industrial society requirements. This crisis and period of uncertainty experiencing by universities is not the first in history and each time universities were finding an opportunity to renew their activity meaning and content [2, 5-7].

New requirements for universities and their new objectives are inevitably "refracted" through their "cultural type", their own corporate culture. Depending on corporate culture, universities can comply with post-industrial society requirements, form a new group of leader universities, become an engine of development for macro-regions and countries, but also can remain conservative traditions carrier.

Universities are special social institutions that provide knowledge production and intelligence renewal. However, currently universities are facing challenges from other intellectual institutions as analytical centers and "think tanks"; industrial laboratories and engineering centers of business corporations, Internet educational and "intelligent" communities and others. Universities have to respond to these challenges, which imply serious transformation, including missions rethinking, new activities deployment; business companies, government, academic and cultural institutions partnerships expansion.
The theme of corporate culture has become acutely relevant for universities in crisis situation and, consequently, development imperative. Therefore in some cases corporate culture can become a tool for university development ensuring, for its mobility and competitiveness increasing. In other cases it can become barrier for university development and transform it into a "bureaucratic memorial" for obsolete objectives, norms, ways of thinking and acting.

The "corporate culture" concept was formed as a result of comprehension of business organizations development. The most effective, competitive, capable to change and to overcome the crisis were organizations with a special quality of internal relationships, interactions between departments, between employees. As important elements of corporate culture have been identified [8]: 1) culture of leadership, managers ability to generate new ideas, to think strategically and to inspire the company's staff for addressing new challenges; 2) culture of teamwork in posing and solving new and challenging problems; 3) culture of communication, alignment of "horizontal" and "vertical", internal and external communications in organization. At the same time it is impossible to transfer successful corporate culture model from business organizations to universities. Unlike industrial, commercial or financial companies, universities carry out a package of complex and diverse activities as fundamental and applied researches; project developments and innovative solutions; knowledge translation and intelligence renewal; expert-consultative, enlightenment activity and etc. University is a complex organization, "areas cluster", and each contains special type of activity that requires special culture of communication, thinking and organization. Complex activity mechanism requires specific "structure" of university corporate culture, which cannot be taken outside, but must be "grown" by universities.

The article presents corporate culture model in university as a complex organization, namely topic (toposes) model; formation mechanism for new type of corporate culture in the "from precedent - to tradition" logic.

2 CLASSICAL UNIVERSITY AS CULTURAL TYPE

Universities were formed as free associations of thinkers, researchers and students; key traits of university corporativity were present already at the first European university which has arisen in XI century in Bologna as student's corporation. The Parisian university was formed as a corporation of teachers; similar corporativity underlies the majority of the European universities.

Universities were institutes of intellectual activity and education, but thus (as well as other public institutes of the Middle Ages) were not the service providers focused on the consumer. The students perceived themselves more as the pilgrims, but not as "the buyers of service": Tuition fee by implication was closer to donations of the parishioner of the church, rather than to payment for goods. Financing of universities consisted of incomes from university landed property, the state assignments, support by patrons and partly of trainees' payment. The traditional university not only was not the market phenomenon, but also distinctly was opposed to the organizations occupied with manufacture and trade [9].

Development of universities during New time has added principle of “civil responsibility of universities” to a principle “the academic autonomy”. The model of university of Humboldt in the basic traits was reflected in “the World declaration on higher education for XXI century” (Paris, 1998). “The great Charter of universities” (Bologna, 1988) and the Declaration on the academic freedom and an autonomy of the universities, accepted in 1990 by the international non-governmental organization “World service of universities” so represent principles of academic freedom and an autonomy:

- Joint acceptance of the major decisions; a special role of representative bodies of self-management and joint bodies (academic councils and other);
- The great degree of freedom and the great role of the initiative of researchers and teachers;
- Considerable autonomy of some university units (chairs, research groups) in respect of definition of the purposes, problems, activity methods;
- Prevalence of frame management and leadership (the tasks and purports formulation as a general view of directions, purposes, norms and activity formats) in comparison with directive management (statement of problems and delivery of tasks which at university concern support personnel and service divisions as a rule).
The listed points accurately distinguish classical university as corporation [10] from the business organizations that focus on production of goods and services.

Universities in Russia, in most cases, were created as the state (imperial) projects that essentially influenced on their level of freedom and autonomy. The modern legislation of the Russian Federation fixes an autonomy of universities as a basis of their status; meanwhile legal bases for concrete realization of an autonomy in university controls activity remain not worked out [11, 12].

3 UNIVERSITIES IN THE MODERN WORLD: INEVITABILITY OF DEVELOPMENT

Now universities in the world and in Russia are in situation which essentially differs from a situation of classical academic universities of the XIX-XX-th centuries.

1 Financing of universities by the state decreases and ceases to be the basic source of incomes. This tendency manifests itself both in the US and in the European Union and Russia. For example, in the USA in budgets of state universities the share of funds of states and municipal governments has fallen from 90 % (on the average) in 70th years of the XX-th century to 20-22 % now.

2 Universities become players on the markets of advisory and expert examination, educational products and services, R&D and innovations and start to compete among themselves, with other higher school institutions, with industrial laboratories, corporate universities and educational centers.

3 World leading universities turn into corporations which produce and sell special products – erudition, knowledge, objects of intellectual property, etc. that requires special “market competences”.

4 Successful universities develop and carry out “the aggressive” strategy allowing, on the one hand, to invade the occupied markets, and on the other hand, to offer the innovative products that turn universities into actors without a rival.

5 Simultaneously, universities make out and keep their identity as universities i.e. support values of scientific research, social development and education.

6 Universities face to necessity to form the complex organizational culture combining as traditional university culture of “free association of professionals”, and culture of high-efficiency “think tanks”.

As a result, universities are compelled to move from “administration of processes” to “management of development” that demands more compound and technologically built activity of management.

4 CORPORATE CULTURE AS DEVELOPMENT "TOOL"

During the transition from industrial to a post-industrial society a wide range of universities different types occurs. Project, entrepreneurial (innovation), "open", "supermarket", regions cultural center universities occurs along with educational-academic. Traditional (educational-academic) universities are mostly bureaucratic organizations, "inconvenient" for initiative groups and project teams. For example, in Russian and many post-Soviet universities active employees or groups are displaced to university periphery and forced to act "outside the university", by creating their own consulting, engineering companies. The University will be able to develop on condition that it can attract and retain those employees and those "teams", who are capable (ready, able) to propose initiatives, to launch projects, to build partnerships with businesses. The university environment must be conducive to activities of such initiative groups.

Transformation of classical academic university to university of another type demands deep transformation of its corporate culture. Possibilities of new university positioning are defined by its corporate culture significant changes:
• Personnel and management in a new way realize themselves and their activity;
• Depending on corporate culture (instead of management preferences) the university selects the personnel;
• The corporate culture defines university possibilities as the subject of the market (it is admitted or not admitted by business as the perspective partner).

In the modern organizations corporate culture is a tool of the indirect management: it influences on interests, the purposes and ways of activity of collectives and the separate employees, essentially supplementing methods of directive management. At formation of corporate culture there are used following groups of technologies: technologies for formation of common activity and development aims; for coordination of the purposes of different collectives and persons; technologies for organization of internal communications; technologies for providing feedback between different levels of heads and employees; technologies for development and distribution of necessary senses, beliefs, values; technologies for "acculturation" of new members to collective.

5 CORPORATE CULTURE AS SYSTEM

Now, there is a lack of system representations about corporate culture; researchers and experts do accents on its behavioral, value or regulatory aspects [8]. The system model of corporate culture represents hierarchy of levels in which overlying levels are frames for underlying:

• level of "corporate philosophy" – principles, that are shared by collective, elements of outlook, values, beliefs, activity priorities;
• level of the norms, giving the possibility to distinguish correct actions and wrong (norms possessing the sense and perfection which turn to realized principles of behavior);
• level of competences, turned into the organizational actuality (analytical, communicative, organizational, creative competences), and shown in individual and collective activity;
• level of stereotypes of actions and behavior; thus even not-realized, "automatic" actions of members of collective appear correct (adequate to the organization as a system).

The question is about system of corporate culture that has not only theoretical sense, but practical too. Depend on how the corporate culture is thought, system or not system administrative actions are undertaken. Non-system actions in corporate culture not only are useless, but also are counterproductive – they incite the whole collectives against attempts "to introduce corporativity" at level of "abstract mission", formal rituals, external attributes or compulsory collective "cultural leisure". In practice non-system, miscoordinated "corporate culture" leads to doublethink when the individual or the collective declares one, is internally convinced of other, and does the third. In system-organized corporate culture declared values and principles "are translated" on level of personnel' competences, so management and staff of university not simply know, but also operate according to corporate values and principles. Values and principles of corporate culture should be fixed on organizational level; for example, "the openness" principle should be fixed through appointed and regularly operating communications platforms.

The corporate culture is "genuine and live", as contrasted with "bureaucratic imitations", when it penetrates all spheres of university life and is embodied: in standard documents and procedures; in "exemplary" public actions of leaders; in ability of personnel of different "ranks" to operate in line with the declared norms; in daily activity and in behavior of all members of collective.

6 CORPORATE CULTURE OF COMPOUND ORGANIZATION

The modern university concerns to the "compound" organizations in which various kinds of activity co-exist, including based on various values [13]. So "stream" training of students demand norms and values of industrially organized "factory of workers", while searching R&D can prosper only in the conditions of "design" culture. Performance of service functions (by corresponding divisions) demands discipline and regulations, while scientific researches demand daring of thought. Values and norms of "humanitarian culture" with a certain extent are opposite to values and norms of exact science and engineering culture. Specificity of modern university consists in presence of special units within it as project and research groups which use university's infrastructure (material and informational,
personnel, etc.). But that units frequently are not formalized as structural divisions of the organization (laboratories, research centers etc.).

Organizational culture is important component of corporate culture; it include values, beliefs, norms and patterns of actions which concern inherent type of cooperation in the organization (the way of collective and individual activity connection). Certain type of organizational culture can be optimal for the organization depending on its size, field of activity, life cycle stage. Owing to complexity, the university appears to be heterogenous from the point of view of optimal organizational culture. Specificity of university can be analyzed by using typology of organizational cultures [14]:

- "Culture of authority" – cultivation of personal charisma and authority. It is characteristic for the small organizations in which decisions are accepted by the head, accurate functionality of employees lacks, relations are based on personal fidelity; "a source of force" for the separate member is his closeness to the head.
- "Culture of a role" – cultivation of regulation and standardization. It is characteristic for the large organizations with mechanistic structure, the strict functional assignment of roles, hierarchy, decision-making by senior executives; "a source of force" is position in hierarchy.
- "Culture of a problem" – cultivation of competence and intelligence. It is characteristic for small organizations arranged as "teams for projects" (decision-making by group, high level of the initiative); "sources of force" are professionalism and competence.
- "Culture of the person" – cultivation of personal talent and freedom. It is characteristic for small organizations working in sphere of creative or service activity in which decision-making and activity are nor formalized, the level of independence and initiative of the personnel is high; and "sources of force" are the personality potential, endowments, competence.

At university, schematically, there are base "manufactures" of three types. The first is mass production: "stream" training of students, work with entrants, technical maintenance of university activity and other similar processes, optimum for them is organizational "culture of a role". Mass productions should be built as accurately working "machines" in which employees operate according to standards and regulations, and management is reduced basically to the control after the purposes are formulated, production chains are constructed and norms are set. The second is producing of unique products: R&D, innovative projects, consulting and expert services; for them "the culture of a problem" is optimum, and the suitable organizational form is project teams that are flexible and mobile and framed "for a problem". The third is activity of scientific schools, "workshops" (the creative groups united round the outstanding scientist or the experts, the carrier of "the author's approach") for which "the culture of person" is organic.

The university taken as whole is, from the point of view of organizational culture, compound space. It is a system of "places" ("territories") and "borders". The compound organization can exist effectively only in a case when the organizational culture of each "place" is shaped in compliance with its specificity and differs from "places" with other organizational culture.

7 THE TOPIC ORGANIZATION OF CORPORATE CULTURE OF UNIVERSITY

For the description and designing of university corporate culture as "compound organization" it is necessary to use the model of topic (toposes). Topic (toposes) is a "space" in which "places" ("territories"), with especial values for each territory, principles, norms, thinking and activity formats are allocated. From the point of view of organizational culture they are places in which "culture of a role", "culture of a problem", "culture of the person" (see above) are realized. Each "place" is internally consistent, accurately distinguishable from another whole (from other "place"). "Places" are delimited and simultaneously connected by "transitions" (fig. 1).
On the one hand, transition includes simple spatial moving i.e. transition from building to building, from office to office. On the other hand, it is "moving" in space of values, norms, rules, interaction formats: it is necessary to stop operate and behave according to one rules and start to operate according to another. Spatial transition is possible through intermediate, "neutral" territories – corridors, halls, etc., and transition in space of values, norms and rules occurs through intermediate space of reflective communication.

It means that values, norms, rules, activity formats in each "place" should be shown, designated and they should be discussed and fixed. It should be discussed, designated an infringement of norms (not for punishments, but for understanding of norms and identification of situations in which them should followed), and precedents of especially successful actions according to norms. In each "place" there should be "testing", "trying-out" of norms and rules by students that will form their "socially-organizational competence".

"Territories" should be distinguishable by an external designation, visual symbols, means of a behavioral designation as rituals, speech style etc. "Holders" of each "place" should support, on the one hand, values, rules of "place" (not to allow their infringement), on the other hand, brightly to show in own activity that values and norms. They should be "fighters for professional ethos" as samples of organizational cultures in university have educational value and should be finished to "an exemplary" kind.

Compound space of university organizational culture is the major component of the educational environment for students, so it is especially important to design and represent the organizational culture of each "territory" of university. Students thus not only study certain disciplines, but simultaneously learn to operate correctly in organizational contexts of different type: in "the industrial machine", "a project team", "scientific school". Received organizational competences now are not less important, than successful assimilation of the curriculum.

8 "CARRIERS" OF CORPORATE CULTURE

Elements of corporate culture exist, being fixed on various "carriers" and "meaning objects" which can be texts, visual symbols, events. For example, values, principles and activity priorities can be declared in texts of program documents; they can be shown in procedures and the maintenance of accepted administrative decisions; as a part of "dictionary" of leaders of the organization. Level of aspirations and the general culture of the organization is shown in design and good-look buildings and interiors. Norms are shown in reflective statements of personnel how it is accepted to operate and as it is not accepted.
Display of corporate culture on “meaningful objects” not only gives the possibility to investigate it to external observer. "Reading" of the signs and symbols ensures functioning of corporate culture and its transmission. Thanks to it employees realize, what their organization is, what level of its aspirations is, what inclusiveness in work is expected from personnel (at level of execution of functions or at level of initiatives). Reading news on a site with characteristic rhetoric, passing on beautiful and well-groomed or, on the contrary, to the neglected halls and corridors, freely being guided in activity of providing services and imperious offices or, on the contrary, “being lost in a labyrinth” of organizational structure, staff and students understand that there is a university actually.

It is impossible to make the full list of objects or situations that are "carriers" of corporate culture. The culture appears to be introduced and present in all spheres of university life. Accessible to supervision and the analysis of corporate culture of university are: design of buildings and interiors; an information field of buildings and the Internet site; program and standard documents; statements of heads and employees; patterns of behavior of the personnel and students.

The corporate culture of university is formed in decades and bears the prints of various “historical events”, thus it is possible to distinguish two extreme types of corporate culture:

1. Corporate culture of "developing university" – all "carriers" of corporate culture reflect presence of the purposes of development, high aspirations and ambitions, the significant and attractive future.

The university has developed internal and external communications as scientific and methodical seminars, presentations and conferences, emblematic communications in which "agenda" of university and problems of its development is discussed. The management, collective of university and students are included in discussion of problems and prospects of development of university, so values of openness, trust and partnership dominate.

The corporate culture has the compound and advanced character: there are program and standard documents regulating development and activity of university; the developed system of communications in which discussion and coordination of priorities and development tasks occur. The internal and external symbolical space of university (stands, interiors, the corporate site, the newspaper, magazines, booklets, etc.) is formed and reflects ideas of development.

2. Corporate culture of "functioning university" (with a priority of functioning maintenance) – “meaningful objects" reflect "modesty" of aspirations and ambitions; the university future is not discussed (or is discussed as functioning preservation, but not as its development).

The system of communications is localized within university and has formal and functional character; in a functioning according to the norms and traditions of a decade ago reflective and problem communications are considered as "harmful" and "wrong". Program documents either are absent or have formal character; the purposes are expressed in the general formulations, mechanisms for achievement of the purposes are not discussed. The interiors of buildings, their information field have utilitarian character, the content and design of corporate editions (the site, the newspaper, magazine, collections) are traditional, provincial and do not support “an energy of new action”.

Distinctions between developing university corporate culture and the university focused on functioning are shown in the table.
## The table - Manifestations of corporate culture of "developing" and "functioning" universities

<table>
<thead>
<tr>
<th>“Meaning objects”</th>
<th>Developing university</th>
<th>Functioning university</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design of a building and surrounding territory</td>
<td>Reflects aspirations and perspectives of university – a building under the individual project, with well arranged territories, landscape design, etc.</td>
<td>Reflects &quot;modest&quot; aspirations and absence of prospects – a building on a standard project, with uncomfortable territory.</td>
</tr>
<tr>
<td>Design of interiors</td>
<td>The expressive, friendly design, there is places for dialogue and the organization of events</td>
<td>The inexpressive, apathetic design, there is not places for dialogue</td>
</tr>
<tr>
<td>Information field of buildings</td>
<td>Rich space with the various information. The past, the present and the university future (planned and realized projects, etc.) are presented. The symbols of higher school and other objects-symbols are modern and energetic</td>
<td>Reduced to tablets on offices, schedules and announcements. The past and the present are shown in the form of honours board and stands where description of distant achievements are presented. &quot;Archaic&quot; symbols (they was not updated for many years)</td>
</tr>
<tr>
<td>Internet site</td>
<td>Reflects projects, programs, dynamics of development, the aspiration for leadership. It is addressed both to the internal user (the employee, the student), and external (partner).</td>
<td>Reflects set of divisions, education directions, current functioning. It is addressed to the internal user (the employee the student) and to entrants.</td>
</tr>
<tr>
<td>Program and standard acts</td>
<td>The developed system of documents including conceptual and program documents. There is standard acts for project and innovative activity.</td>
<td>Separate kinds of documents. Conceptual and program documents are absent or have formal and declarative character. There is no standard acts for project and innovative activity</td>
</tr>
<tr>
<td>System of communications</td>
<td>Special open workshops where the first persons of University represent “the agenda for a year” operate. Regular strategic workshops occur on which problems and prospects of development of University (and its activities) are discussed. The staff and students are included in communications.</td>
<td>The first persons of University report about activity in a situation of re-elections. Strategic workshops either absent, or only general questions of &quot;science and education&quot; are discussed there. Staff and students of University are present only at meetings to hear reports and elect new officials and traditional academic councils.</td>
</tr>
<tr>
<td>Interaction with an environment</td>
<td>Offers and projects for external partners and customers (the power, business, public organizations) are actively generated. The considerable quantity of workshops, round work tables, presentations and exhibitions with participation of external subjects are spent. Active work on attraction of the prepared and initiative entrants is conducted.</td>
<td>Interaction with the environment is reduced to admission campaign and ritual meetings with state, regional or municipal authorities.</td>
</tr>
<tr>
<td>Statements of employees and heads</td>
<td>Testify presence and adoption by personnel of strategic targets and tasks; interactions and communication culture, high coordination of the declared purposes, principles, plans and real actions; presence of personal tasks and responsibility for their decision</td>
<td>Testify the absence of long-term objectives and tasks (or personnel are indifferent about them); not developed culture of interactions and communications (and induced thereby conflicts); a low coordination between declared principles and real actions; absence of personal tasks and responsibilities for their decision.</td>
</tr>
</tbody>
</table>
9 MECHANISMS OF CORPORATE CULTURE FORMATION

The inadequate corporate culture can block “development impulses” and create risks for the existence of the organization. Purposeful formation of necessary corporate culture should be developed in the logic “precedent – norm – replication – tradition”. The generalized scheme for formation of corporate culture element is presented on fig. 2.

![Diagram of corporate culture formation process](image)

**Figure 2. Formation of an element of corporate culture: from precedent to tradition**

On the scheme "circles" present activity situations; "squares" are culture units; "circles in a squares" are norms which define the patterns of activity in situations so "work" as cultural norms.

We will consider all stages of new norm creation process. At a stage "precedent" the active figure (the figure below the line) creates a situation of activity which is new to that organization. The new cultural form doesn't exist yet, there is only a precedent which can receive continuation, or not. At a stage "norm" communications concerning new precedent occurs: the content and the importance of the occurred precedent are identified, new norm is defined and made out (in the form of a document or a verbal agreement). At a stage "replication" the new format of activity is entered into system, is regularly applied at all levels of management. At a stage "tradition" the norm becomes standard action: after set of repeated actions the norm is been realized "naturally" (the figures designating active actors on the scheme are absent). Transition from norm to tradition leads to decrease in level of comprehension and consideration. In time the tradition "is washed away" and demands special efforts on its renewal, maintenance (on the scheme it is not shown).

Typical "defects" of corporate culture formation process can be interpreted within the given scheme:

**Variant 1.** "Precedent" (active creation of a new situation) is not set. Instead someone from heads or "visitors" of the organization tells about useful both valuable norms and traditions, for example, at the Harvard or Oxford universities. Thus acquaintance to another's norms does not lead to real change, and special work on "introduction another's norm to culture " is not made.

**Variant 2.** "Precedent" of new action is successfully realized, but the analysis of precedent and norm registration as the special content different from "precedent" is not carried out. The skeptical appraisal of precedent ("tried …") appears as result allegedly not suitable norm has been tested and it is not working ("the western management in our country does not work" etc.).

**Variant 3.** Own cultural norm (unlike adoption) "is grown up". However subjects of innovation do not apply sufficient efforts for its "replication". The norm does not become the tradition, for some time it exists due to enthusiasm of the initiators but with the lapse of time is superseded.

**Variant 4.** All stages are passed successfully, the new norm gets accustomed and becomes tradition. Further, as a result of changes in the external and internal environment the tradition turns to a vestige. As work on norm modernization lacks; the tradition dies off or turns to senseless formality.

We have considered a simple case of norm formation at level of administrative communications for which high level of reflexivity is characteristic. Process of creation of new norms in such spheres of university life as innovative activity and professional thinking can be more complicated.
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