SPECIFICITY OF THE RELATIONSHIP BETWEEN PROJECT MANAGEMENT AND ORGANIZATIONAL CULTURE

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ABSTRACT

The organizational culture becomes not only an effective instrument for the organization development under the conditions of globalization but also an important factor for forming the global cultural space. Searching for new approaches to control changes in the organizational culture of modern society has become a topical issue. The aim of this paper is to examine the possibilities of applying the project approach to control the changes in the organizational culture under the conditions of modern market. Lewin theory was applied while determining core phases within the structure of the intended organizational change. The possibility of the project management application for the organizational change management is because the project management method allows the organization moving from the current state, via the transition one, to the targeted future condition, which is the essence of the organizational changes.

Keywords: Enterprise, Strategic Management, Project Approach, Organizational Structure, Corporate Traditions, "Employee-Employer" System, Lewin Theory.

INTRODUCTION

One of the key processes of the twenty first century is the progressing globalization, characterized by the deep changes in the whole system of international relations. Under these conditions, the organizational culture is a complicated social and economic phenomenon that is subject to continuous development, which is constantly developing and is closely connected with the development and changing of the organization itself. Stewart points out that nowadays it is not sufficient "just to change the organizational structure; it is necessary to change its culture as well" (Stewart, 1999) for a successful organization transformation. As Naylor indicates, "all changes in the integral systems will have an effect on the culture while the culture will effect and restrain any change…The culture change is definitely integrated into the process of the organizational change in general" (Naylor, 2003). Besides, existing organizational culture tends

to be the main source of organizational resistance to the transformations. Thus, the organizational culture change follows rethinking of the organization functioning basis. It is associated with the creation of a new type of organization that can adapt to the constantly changing environmental conditions, can be taught and is able to master new knowledge. "Obviously, most organizations are no longer stable predictable structures, used to be known in the past" (Council for Excellence in Management, 2006). As the structure changes, so the culture must change too. Another important factor of increasing the organizational culture importance to manage the current organization is globalization that results in the intensive cooperation between various ethnic cultures within the framework of a certain organization. According to Siddall, cultural issues and the importance of better mutual understanding have become the key topics of the management theory due to the globalization processes intensification (Siddall, 1998). Recognizing the importance of the organizational culture, as well as the dependence of the management theory and practice on it, make some scientists deny the possibility of some universal management methods and regularities existence. For example, Cheng, Sculli and Chen challenge the universality of the management theory and organizational behaviour, since management is realized in entirely different forms within different cultures (Cheng, Sculli and Chan, 2001). The importance of the organizational culture phenomenon is also confirmed by the fact that parameters and indices, that reflect organizational culture condition, are included into the framework of such modern index systems as BSC (Balances Score Card) or into the balanced indicators system (Kotter and Heskett, 2011). So it can be concluded that the organizational culture is an extremely complicated management object. Organizational culture is facing with internal contradictions during globalization processes: on the one hand, there are old corporate traditions that must be maintained; on the other–it is necessary to introduce new cultural elements corresponding to modernity (Nasiyev et al., 2016). Inappropriate methods of the organizational culture management can result in the less efficient organization. Project management methodology has been suggested as one of the perspective management methodologies which could be applied for managing such complicated objects as the organizational culture. Project management is not only used today in the traditional project-oriented areas but also rapidly expands the horizons of its application in new areas, in new trouble areas, in new fields of activities. Although the project management methods and means are widely developed their application for the organizational transformations as a whole and for the organizational culture changes in particular is theoretically and practically inadequate.

LITERATURE REVIEW

Most researchers recognize the importance of the opportunity to manage organizational culture to achieve the efficiency of the organizational performance. Organizational culture is a certain result of company's development that makes it possible to identify it among other ones (Nasiyev et al., 2016). For example, common collective beliefs, knowledge, sanctions, values and aims define the way of life, behaviour and activities of the organization members. So it can be concluded that if a person wants to manage the people behaviour and the organization performance, he or she should learn to manage culture (Helmreich and Merritt, 2017; Alvesson and Sveningsson, 2015; Lee and Kramer, 2016). Kotter and Heskett conclude that there is a relationship between the organizational culture and the indices of the organizational performance. What is more, they emphasize the importance of the organizational structure for the strategic management (Kotter and Heskett, 2011). The organizational structure is an optimization tool for the interaction between an organization and its environmental conditions

and determines main organizational abilities, such as ability to change and adapt (Bolman and Deal, 2017; Naranjo-Valencia, Jiménez-Jiménez and Sanz-Valle, 2016). Zamanou and Glaser emphasize the internal instrumental nature of the organizational culture. It allows increasing members' participation and involvement in the organization activities, thus improving the effectiveness of human resources application (Zamanou and Glaser, 1994).

Harrison and Stokes believe that the organizational culture affects the behaviour of all members of the organization. According to them, "culture affects all aspects of the organizational life, such as decision-making methods, responsibility allocation for decisions making, bonus allocation method, internal recruitment policy, methods for influencing on people, the organization response to the environmental conditions and so on" (Harrison and Stokes, 1992). Reigle considers culture to be the key factor of technologies introduction, innovations, mergers and acquisitions, as well as the factor affecting the job satisfaction, organization success and labour efficiency (Reigle, 2001). Egan calls culture the strongest system of the organizational control: "Culture, i.e., perceptions, convictions, values and norms that define the ways "we do things", is the strongest and the most comprehensive control system, since it affects not only open, apparent behaviour, but also the hidden one and even the way of thinking" (Egan, 1993). Peters and Waterman (1982) describe the link between the organizational culture and the general management system of the organization: "Cultural power and integrity are, without exception, key characteristics of the best performing companies. Moreover, the stronger and more market-focused the culture is, the less the demand for administration, organizational structures, detailed procedures and rules". Heller comes to the similar conclusion: "There is nothing surprising in the cultural power. There is a link between the culture and the organizational performance indices" (Heller, 1997). Goldsmith and Clutterbuck (1998) write that one of the key characteristics of such companies is challenge culture (challenge culture). Cummings and Worley (2005) point out that "culture can affect the strategy formulation and implementation, as well as the organization ability to achieve the ideal performance".

Culture affects the performance efficiency, in large organizations in particular (Bortolotti, Boscari and Danese, 2015). Culture can determine the employee or the customer satisfaction indices, as well as the general efficiency and effectiveness. Deal and Kennedy (1982) strongly indicate the link between the financial indicators and the organization members' commitment to its cultural values.

People are quintessential cultural creatures and cannot exist outside the cultural context, so any human management is the culture dependent (O'Neill, Beauvais & Scholl, 2016; Cascio, 2018). According to Schein (2004), management requires ability to predict people and organizational behavior and the organizational culture allows understanding and determining possible people response to different events, including management actions.

The organizational management requires organizational analysis that provides people, who make decisions, with the necessary information about the organization (Ehrhart and Kuenzi, 2017; Khalid, Eldakak and Loke, 2017). Organizations should not be considered outside the cultural context.

The organizational culture change management is traditionally considered as an integral part of the organizational development. According to Lawrence and Lorsch, "when it comes to organizational development, it implies seeking ways for transition from the current condition to the more progressive one". Thus, the key point of organizational culture change management is the organizational system transition from one condition to another (Lawrence and Lorsch, 1969).

However, the changes introduced in organizational culture must comply with business culture. This requires complying with three factors (Cameron and Quinn, 2011):

      1. Purpose (cultural structure shall meet the business activity);

      2. Criterion that allows evaluating the current and desired levels of organizational culture

      3. Practice, which shows that desired can be achieved within a certain time.

The objective of this article is to investigate the possibilities of applying the project approach to managing the changes in the organizational culture under the conditions of globalization.

DATA, ANALYSIS AND RESULTS

Project approach is a modern management method that can be used for managing any subject that is in transit from one condition to another. The project approach application for the organizational culture change management can increase the probability of success and investment return. The possibility of using project management for organizational change management is due to the fact that the project management method allows the organization moving from the current state, via the transition one, to the targeted future condition, which is the essence of the organizational changes (Figure 1).
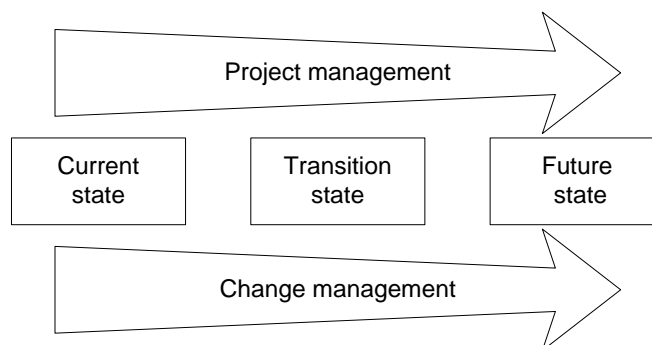
FIGURE 1
PROJECT APPROACH TO THE ORGANIZATIONAL CHANGES MANAGEMENT

The initial point in the project management understands of the objective, i.e. the targeted condition of the managed object. The objective is characterized by some elements of novelty which can be the result of the internal properties of the targeted project outcomes and from the external conditions. First of all, the project objective is the detailed activities schedule which may include different project aspects and may be described in various documents. In addition, the activity instruments and subjects necessary for the project realization - fixed assets, project resources, project organizational structure, communication system between the project elements etc.-are subject to the detailed consideration. The model of the targeted results or the targeted system condition is developed, analysed and approved during the detailed and comprehensive elaboration, "project designing".

To describe and visualize the targeted future condition it is appropriate to use the modelling method. For this purpose, it is possible to use quantitative models of organizational culture, such as Organizational Culture Assessment Instrument or Organizational Culture Inventory.

The targeted project model, which is the perfect project results presentation, is then realized in practical activities and "projected" at the reality surface. Perfect structures, the elements of the model, take shape of certain material objects in the process of realization and herewith are subject to some changes attributable to the disturbance effect of the real subject field, within which the project is realized and the environment.

Effective project realization is in achieving optimal compromise between the project decisions requirements and the reality potentialities. The achievements are "reflected" on the surface of the project perfect model during the process of control realization around a feedback with the achievements being compared with those previously planned and included into the model. Eventually the model reflecting the real situation is created. This actual project model is compared to the objectives on which basis the effectiveness of the project is determined as a level of the targeted goals. The project completion includes the creation of an actual model, determination of actual outcomes and the project effectiveness. The actual model should be realized by using the same tools as the targeted model should. So the project management is like a targeted action allowing the goal disclosure in the form of a model and then the model transferring to the actual subject field.

Project management is a conscious regulated activity of the system transition from one condition to another, to the targeted one (Cummings and Worley, 2005). In this context, the system change is the main feature and the main content of the project. Meaning the organizational culture by the system, its change management can be considered to be one or more interrelated projects. Thus, the organizational culture change management is the project-oriented activity.

If the organizational culture profile, developed by Cameron and Quinn (2011), is to be taken as the basis, the project of the organizational culture change will look like it is shown in Figure 2.
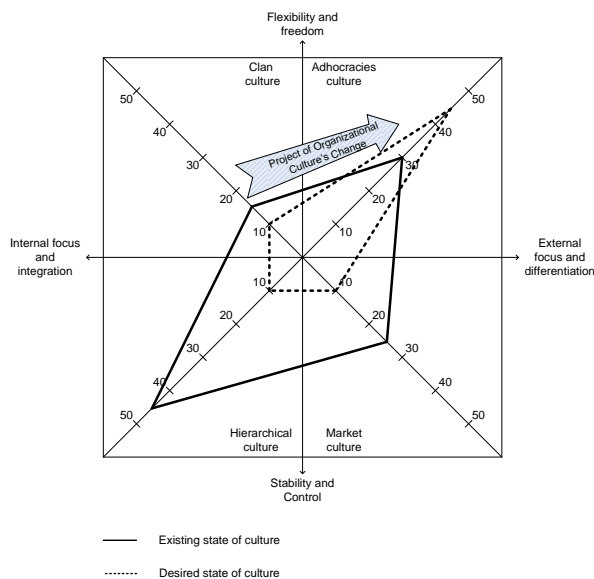
FIGURE 2
CAMERON AND QUINN (2011) MODEL APPLICATION FOR CREATING THE PROJECT OF THE ORGANIZATIONAL CULTURE CHANGE

Organizational culture change as a project of the system transition from one condition to another, shown in Figure 2, demonstrates the necessity of changing several parameters and components of the organizational culture right away. For example, Figure 2 shows that the original enterprise culture was mainly oriented at the internal processes, along with the required stability and control and certain attention to the market aspects. The organizational culture is likely to have been formed within the framework of the consistently operating enterprise producing standardized products for the markets that are not greatly exposed to dramatic changes. Yet, for some reasons, the enterprise set itself the task to increase innovativeness of its activities, which requires changing not only and not just technologies but the organizational culture rather than technologies. New organizational culture should be characterized by the close attention to the external positions, flexibility and individual approach to people to encourage their creative energy.

The project life cycle model can be suggested to adapt project management methodology to the specific nature of a certain subject field.

Two-phase model that includes project development and project implementation stages is used as the general theoretical model. The development phase includes the following elements: understanding and formation of the project goals structure, creation of a complete project target model and partial models, solutions and plans contained in it, their analysis and approval of the relevant project documentation. The project implementation phase includes the following: implementation of the previously approved plans, realization of the approved design decisions and the complete model implementation within the framework of a certain subject field, taking into account the dynamic influence of the environment.

This general model of the project life cycle should be further incorporated to the specific nature of the activity, related to the organizational culture change management.

Due to the specific features of organizational culture change management, it is appropriate to refer to Lewin theory. He identifies three phases within the structure of the intended organizational change: "unfreezing", "movement" and "refreezing" (French, Kast and Rosenweig, 1985). French, Kast and Rosenzweig developed Levin's statements further and worked out the organizational change project structure, based on three phases that had been indicated by him: initial problem identification, data collection, problem diagnosis, action planning, action implementation, changes stabilizing, estimation of the results and consequences, summarizing and experience studying (French, Kast and Rosenweig, 1985).

Thus, the organizational culture change can be considered as an integral part of the organizational development initiatives. Therefore, the path of the organizational development can be used as the life cycle model for the organizational culture change project.

DISCUSSION

Summarizing all the models mentioned above, the life cycle model for organizational culture change project is suggested. This model includes not only the development and implementation stages, but also the preliminary initiation stage that is aimed at the organizational culture "unfreezing", in accordance with Lewin terminology (French, Kast and Rosenweig, 1985). The current model implies effecting not only on the organizational culture, but also on the organizational structure, processes, motivation and evaluation system that form the organization "social architecture". The activities structure of the organizational culture change project is shown in Figure 3.
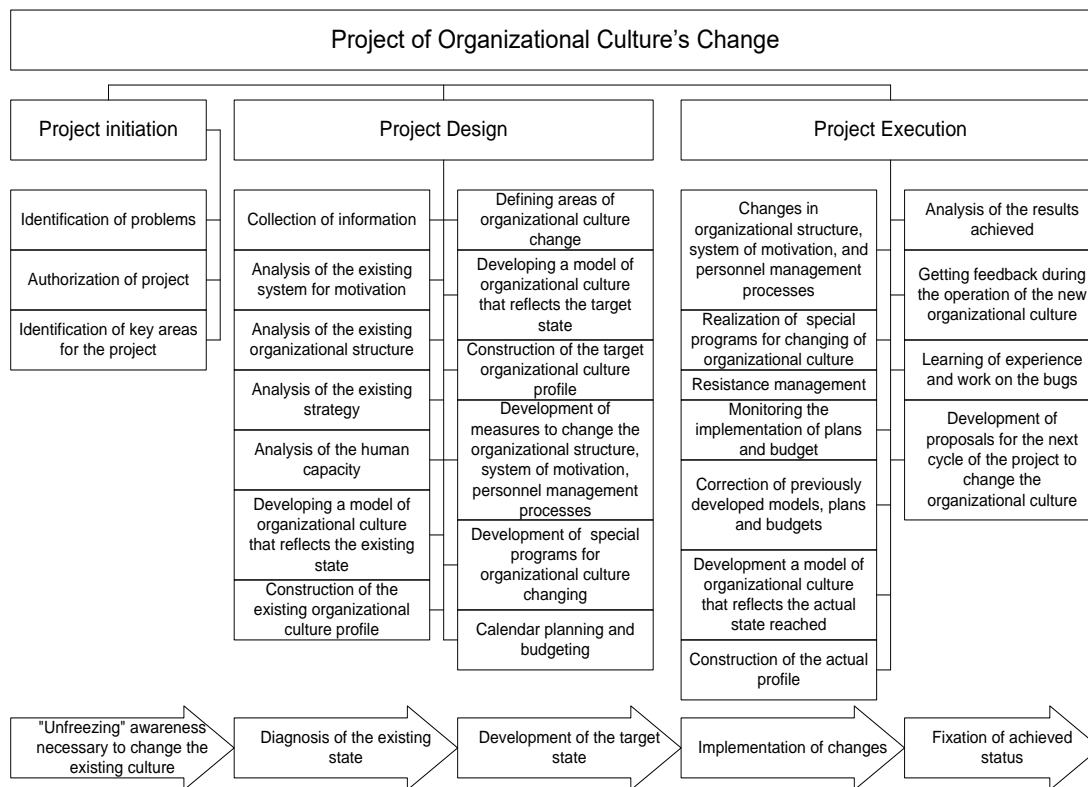
FIGURE 3
ACTIVITIES STRUCTURE OF THE ORGANIZATIONAL CULTURE CHANGE PROJECT

General logic of this model is characterized by the successive transition through initiation, development and implementation stages, as well as through the models of existing, targeted and achieved conditions.

Organizational culture combines three important components into a single logical chain "team–organizational culture–economic efficiency" (Schein, 2004).

Thus, the organizational culture affects not only the internal environment of the organization in a relationships "employee-employee" and "employee-employer", but also foreign economic affairs.

CONCLUSION

The possibility of the project approach application to control the organizational culture changes in the current globalizing society was investigated in this paper. Organizational culture change is considered to be a social and technical innovation aimed at the current organizations management system optimization.

Consideration of general theoretical aspects of the organizational culture change management allows concluding that it is appropriate to use current project management methodology for the efficient management of such sophisticated system as the organizational culture. The possibility of the project management application for the organizational change management is due to the fact that the project management method allows the organization

moving from the current state, via the transition one, to the targeted future condition, which is the essence of the organizational changes.

The model of the project life cycle for the organizational culture changing as a type of organizational transformation project was considered within the framework of the methodical provisions on managing the organizational culture change project. Methodical guidelines improving the efficiency of the organizational culture change management were determined.

The suggested tools for managing the projects of the organizational culture changes are ready for practical application and can considerably improve the efficiency of the organizational transformations under the conditions of globalization.

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