Towards a knowledge-based organizational culture – discussion on empirical studies
W kierunku kultury organizacyjnej opartej na wiedzy – dyskusja badań empirycznych

Abstract: The starting point of this paper is characteristic of the essence of organizational pathologies and dysfunctions. This discussion is a contribution of deliberation on the development of an optimal organizational culture - permitting the acquisition and maintenance of key employees. The present publication presents the results of empirical research regarding dysfunction and the pathology of the organizational culture of enterprises in Poland. 195 respondents were examined whose opinions were interpreted in the context of the challenges of creating a model, in terms of the knowledge economy, types of organizational culture - a culture based on knowledge, a culture of trust and a culture of cooperation.

Keywords: organizational culture, dysfunction, organizational pathology


Słowa kluczowe: kultura organizacyjna, dysfunkcja, patologia organizacyjna

Introduction

Currently, under conditions of a knowledge-based economy, theoretical discussions and advanced empirical research on the issues of the organisational culture gain a slightly different context. The first perspective suggests exploring the organisational culture as one of the significant intangible assets of a company; after all, redefinition of resources and shift of focus onto soft assets of an organisation are nowadays the necessary conditions for gaining competitive advantage.

The second dimension of the conducted research refers to effective human resources management in an organisation, which indisputably includes the organisational culture as one of its key factors. As a consequence, it is also a significant determinant of building the social capital of an organisation.

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The third plane constituting the basis for further studies of the organisational culture is the challenge of shaping the desired employer brand. After all, in the turbulent world of dynamic solutions, more and more companies focus on employees – experts, whose knowledge may be used under specific conditions. It is particularly important when competing for talents and in the organisation's pursuit to obtain and, above all, keep employees possessing crucial knowledge, as well as rare and desired competencies.

Another inspiration for exploration, especially empirical, of the organisational culture is the need to shape the desired types of knowledge-based organisational cultures, from the point of view of functioning under conditions of the new economy and operation of knowledge-based organisations.

The search for answers and guidelines in all the identified perspectives is compelled by the growing interest in the issues of dysfunctions and irregularities prevailing in the field of the organisational culture. Change in the game rules on the labour market, where the often talented employees choose the organisations they want to be associated with, determines particular concentration in the areas, where pathologies are present in the individual perspective and in the dysfunctional spheres in the context of the work environment, part of which is the organisational culture. Analysis and diagnosis of selected irregularities is also the starting point for activities aimed at shaping the desired knowledge-based organisational cultures.

Therefore, the purpose of the study is to identify potential areas within the organisational culture, where dysfunctions are present, as well as to look at the organisational culture as the source of deviations occurring within the company. This theoretical analysis inspired pilot empirical studies in this field, with the group of respondents consisting of former employees of organisations operating in Poland.

Elements of the organisational pathology theory

By analogy to the reasoning that pathology is the science of diseases, organisational pathology can be treated as the science of "organisational diseases". Therefore, organisational pathology is a long-term significant irregularity in the organisation's functioning.

Also, we can consider organizational pathology as impacts negatively affecting the proper functioning of the system, not allowing for right objectives implementation of the majority of organization’s stakeholders. So it is the lack of efficiency of the organization, which is manifested in the mismatch in the way of organizing and results of operations to human needs in the plotted time interval.

R. Stocki [2005, p. 50] suggests perceiving organisational pathology as each dysfunction in an organisation, which prevents achieving realistic goals, appointed for a given organisation and consistent with the public welfare of the goals in the assumed time and with specific funds. At the same time, the author [2005, p. 52-64] constructs a five-dimensional model of the description of organisational pathology.

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pathologies, in which each of the presented dimensions allows for in-depth analysis and diagnosis of the essence of pathological phenomena in an organisation.

The 1st axis (easily noticeable symptoms of organisational pathologies) is the first, very superficial dimension that will help set the direction of the research on pathological phenomena and find the correct cause of the dysfunction. The second dimension (pathological phenomena related to people managing the organisations) indicates incorrect behaviours of the organisations' managers, resulting from relations, emotions or bad attitudes. The 3rd axis (irregularities in operations and processes) refers to these pathologies in an organisation, rooted in the existing processes and programmes, which at some stage have been improperly implemented or are already obsolete and do not function correctly in the company. The fourth dimension (pathogenic environmental impact of the organisation) examines the occurring dysfunctions in a given organisation in the context of the environment, which affects its functioning. The last axis (development of pathological phenomena over time) allows noticing the emergence of the first dysfunctions in an organisation and observing the scale of the phenomenon across various stages of organisational development.

Dysfunction is a similar term to pathology, sometimes used as its synonym. Dysfunction should be regarded as a phenomenon adversely affecting a given social system. As a result of dysfunction, systems are under pressure and undergo changes in the wrong direction. The long-term impact of a dysfunction may lead the system to a pathological state.

Z. Janowska defines dysfunctions in an organisation as disturbances and irregularities in the actual functioning of an institution, as compared with the standard functioning. They mainly result from disturbances inside the basic areas of operation of the company and relations between particular elements of the company and its environment.

Organisational dysfunctions and pathologies in the field of the organisational culture

Currently, the subject literature fully accepts three key assumptions. Firstly, the organisational culture is an invisible network of meanings deeply rooted in the organisation. Secondly, the organisATIONAL culture gives the company its unique identity. Thirdly, the organisational culture affects behaviour of employees. Therefore, it may be perceived dually – as the source of dysfunctions and organisational pathologies, and as the area of these deviations.

Organisational dysfunctions and pathologies in the context of the organisational culture can be also perceived from another point of view. Namely, treating

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pathology as an extreme form of dysfunction, and dysfunction as an unperformed, or incorrectly performed function of the organisational culture.

Therefore, as a consequence, a dysfunctional factor, leading to a pathological state, is the lack of external and internal adjustment, resulting from the functions of organisational culture, defined by E. Schein.

Potential areas exposed to the organisational culture dysfunctions concerning external adjustment may concern:

- the employees misunderstanding the mission and vision of the organisation,
- the organisation's participants failing to identify the basic goal of the organisation,
- the lack of integration of the organisation with its external stakeholders,
- the lack of consensus as to how and which resources can and should be used,
- the lack of uniform methods of measurement and assessment criteria of effects,
- the lack of strategy for introducing changes and methods of organisational improvement.

The probable factors creating organisational culture dysfunctions in the aspect of internal adjustment include:

- the lack of common language and professional terminology characteristic for particular groups present in the organisation,
- the lack of clear boundaries between groups functioning in the company,
- the lack of clear indications of the position and status in the organisation, as well as clear grounds for and principles of authority,
- the lack of clear indicators of the desired and undesirable behaviours in the organisation,
- the lack of mental models, jokes, organisational stories, putting in order interpretations of unforeseen events.

According to the convention of identification of the organisational culture's function, proposed by Ł. Sułkowski, its possible dysfunctional zones include:

- the lack of acceptance of common goals, values, standards and views at the level of an individual or a group,
- the existence of informal tight-knit groups in the organisation,
- underestimating the importance of the social life of the organisation,
- the lack of common and clear thinking patterns and behavioural models, understandable for all participants of the organisation,
- the lack of a common, consistent and comprehensive image of the organisation for its participants and observers,
- the lack of a strong sense of community of its members.

On the other hand, according to the interpretation of the notion of organisational dysfunctions, proposed by Z. Janowska, regarding them as disturbances and irregularities in the actual functioning of an institution, as compared to the model operation, the signs of a dysfunctional organisational culture, and thus a pathological organisational culture, mark each culture, which is not adjusted to the current or future external and/or internal conditions of the organisation's functioning.
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Continuing on this route, in a given context, specific types of organisational cultures will become dysfunctional. In other conditions, the dysfunctional organisational cultures will become the model ones, e.g. under conditions of strong competition based on material resources, dysfunctional organisational cultures may be the ones focused on the personnel or the weak ones.

In general, the most pathogenic are very strong organisational cultures, which constrain the employee, and weak organisational cultures, which excessively loosen the bonds.

On the other hand, focusing on the contemporary conditions of the companies' operations resulting from functioning under the conditions of the knowledge-based economy, we should regard as dysfunctional these types of organisational cultures, which derive from the traditional school of management sciences (versus the resource school) and from the evolutionary and market approach. We should consider model cultures to be the culture of knowledge and the culture of cooperation or the culture of trust.

The culture of knowledge is characterised by a high level of mutual trust between employees and towards the organisation's environment, openness to contacts within the environment (carefully observing the environment and responding alertly to the occurring changes, as well as a friendly attitude towards external entities) and a low drive for power (not focusing on the pursuit of power and rivalry)\(^8\).

The culture of cooperation is based on intercultural interactions, resulting in the introduction of new values. Taking into account both the cultural similarities and differences is favourable for the development of tolerance, openness to new ideas and creative thinking, which often exceeds the national styles derived from the cultures of the participants. Cultural diversity is treated as a resource that can be used for organisational development, and not as a barrier hindering the establishment of cooperation\(^9\).

The culture of trust characterises more creative and innovative organisations, capable of becoming involved in productive risk-taking. Their employees have a high degree of autonomy and self-control. They can talk freely and more willingly engage in solving comprehensive problems, they are open to changes, they cooperate more willingly and work for the organisation. As a result, they are better motivated, since each of them is treated with respect, criticism is constructive and no gossip and slander is spread in the company\(^10\).

In conclusion of the discussion concerning dysfunctions and organisational pathologies in the field of the organisational culture, first of all, we should emphasise the multi-dimensionality of the discussed problem. It can be considered in terms of levels, on which deliberations can be carried out – from individual, through group to the systemic level.

Then, we should consider the potential dysfunctions, which may result in pathological phenomena, as derivatives of the organisational culture's failure to

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fulfil its basic functions.

Another perspective suggests analysing zones of possible deviations from the point of view of specific types of organisational cultures and to assign them to specific external and internal conditions of the organisation's functioning, as a result selecting model and pathological types.

Special attention should be paid to the distinguished symptoms of the approaching dysfunctions in the organisational culture, namely\(^{11}\):

- existence of competitive, conflicting standards and values,
- loosening of group bonds, alienation, isolation,
- technological development,
- decrease in the importance of religious institutions,
- growth in demanding attitudes relating to rights and values,
- growth in addictions and avoidance of social control and supervision,
- growth in individualism, gradual disappearance of conformism,
- growth in hedonistic preferences, the sense of failure, expansion of personal freedom,
- popularity of the philosophy of financial success and growth in rivalry attitudes.

Organisational culture dysfunctions in practice among companies in Poland

The critical analysis of the literature on the subject became the basis for carrying out a survey concerning potential pathologies related to the organisational culture of companies operating in Poland. The pilot part of the exploration was performed in 2015, and in 2016 attempts were made to deepen the conducted research.

The first part of the survey questionnaire concerned identification of potential organisational pathologies, which may result from the organisational culture. It was inspired by the five-dimensional model description of the organisational pathologies of R. Stocki – thus, it included the area of easily noticeable symptoms of organisational pathologies (1st segment), pathological phenomena related to people managing the organisations (2nd segment), irregularities in operations and processes (3rd segment), as well as the domain of the pathogenic environmental impact of the organisation (4th segment). The second part of the questionnaire concerned indication of areas of incorrectly implemented functions of the organisational culture, identification of zones of internal ill-adjustment, as well as the selection of symptoms of potential or approaching deviations of the organisational culture.

The survey, which was conducted in spring 2015, covered 98 respondents – employees of companies operating in Poland. Due to the small test sample, the survey was considered a pilot study. In spring 2016, it was decided to repeat the survey. It was expanded by another group of respondents – thus, it was not an in-depth exploration. This time, as part of a direct survey, completely filled questionnaires were obtained from 97 people. Therefore, it was decided that, due to the comparable number of respondents, the similar characteristics of respondents and the similar characteristics of the verified organisations, it is possible to perform joint

analyses. Altogether, the survey covered 195 employees of organisations operating in Poland.

5.3% of the surveyed people represented the strategic management level, 21.3% worked on managerial positions typical of the tactical management level in their organisations, and 73.4% of the surveyed carried out operational tasks for the companies. Therefore, it may be concluded that the presented results represent a bottom-up, executive perspective of the identified deviations of the organisational culture among Polish enterprises, which in 70.4% constituted service companies, in 18.5% - production companies, and the remaining part were companies dealing with production and services (11.1%).

The organisations verified in the survey consisted of 18.5% of micro-companies, 26.6% - small companies, 11.8% - medium-sized organisations, and 43% - large corporations. The average time of their operation was more than 22 years, which may suggest existence of a solidified organisational culture, certainly in the area of performed functions of external and internal adjustment. Employees with average job seniority in these organisations amounting to 2 years could identify relatively easily potential areas of approaching deviations, due to their job seniority in the analysed organisations and the number of jobs (3.5).

The empirical analyses concern, according to the adopted designates of notions were areas of the organisational culture dysfunctions. Identification of the organisational culture pathologies is possible only when thoroughly examining a specific company and a wider context of its operation, knowing the conditions of human capital working for this company. In this case, such analyses were not conducted.

The results of the conducted research indicate that the most commonly appearing irregularities in Polish organisations are irregularities in the performance of the organisational culture functions (32.6% of responses), then in internal ill-adjustment (29.9%), and the symptoms of approaching deviations are identified by 26.5% of the respondents (Tab. 1).

With regard to irregularities in the performed functions of the organisational culture, the respondents consequently emphasised the lack of acceptance of common goals, values, standards and views at the level of an individual or a group (34.1%), lack of a strong sense of community among the organisation's members (33.3%), underestimating the importance of the social life of the organisation (32.6%), as well as the existence of tight-knit, informal groups in the organisation (32.6%).

In the case of internal ill-adjustment, the respondents most often indicated the lack of common language and professional terminology characteristic for particular groups present in the organisation (37.8%), the lack of clear boundaries between groups functioning in the company (34.8%), as well as the lack of clear indicators of the desired and undesirable behaviours in the organisation (31.1%).

Such results suggest that the organisational culture is not the object of particular actions of the organisations' management, the managers do not try to shape it, or identify the elements creating this core of the company's life. This may translate into the lack of employee engagement for the company they are associated with, the lack of loyalty to specific groups functioning in the organisation, and hence the lack of openness with regard to sharing knowledge. It may also limit actions with regard to teamwork, while particular interests still remain the main focus.
Table 1. Indicated dysfunctional areas of the organisational cultures of the examined companies

<table>
<thead>
<tr>
<th>Dysfunction area</th>
<th>%</th>
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<tbody>
<tr>
<td>incorrectly performed functions of organisational culture</td>
<td>32.6%</td>
</tr>
<tr>
<td>lack of acceptance of common goals, values, standards and views at the level of an individual or a group</td>
<td>34.1%</td>
</tr>
<tr>
<td>lack of a strong sense of community among the organisation's members</td>
<td>33.3%</td>
</tr>
<tr>
<td>underestimating the importance of the social life of the organisation</td>
<td>32.6%</td>
</tr>
<tr>
<td>existence of tight-knit, informal groups in the organisation</td>
<td>32.6%</td>
</tr>
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<td>internal ill-adjustment</td>
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<tr>
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<td>lack of clear indicators of the desired and undesirable behaviours in the organisation</td>
<td>31.1%</td>
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<tr>
<td>symptoms of approaching dysfunctions</td>
<td>26.5%</td>
</tr>
<tr>
<td>popularity of the philosophy of financial success and growth in rivalry attitudes</td>
<td>31.85%</td>
</tr>
<tr>
<td>growth in demanding attitudes relating to rights and values</td>
<td>28.8%</td>
</tr>
<tr>
<td>growth in individualism, gradual disappearance of conformism</td>
<td>27.4%</td>
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</table>

Source: prepared by the author

Such observations may be confirmed by the identified symptoms of approaching deviations, very often found in the examined companies, in the form of the popularity of the philosophy of financial success and growth in rivalry attitudes (31.85%), the increase in demanding attitudes relating to rights and values (28.8%), as well as the growth in individualism, gradual disappearance of conformism (27.4% of responses).

Such responses indicate directives in the scope of shaping the organisational culture based on cooperation, trust and knowledge sharing, which are completely different from the recommended directives under the conditions of the knowledge-based economy. The lack of the sense of belonging, the lack of a common language and professional terminology, increase in individualism or growth in rivalry attitudes makes it impossible to support the innovativeness of employees, their creativity or openness with regard to sharing knowledge and creating competitive advantage based on intangible assets. This is especially true in the situation, when a large majority of companies deal with services, according to the knowledge-based economy characteristics, while redefinition of resources and acknowledgment of the attribute of knowledge dominance is a necessary prerequisite. After all, without the sense of belonging, there is no complex social capital. Then, we encounter the phenomenon of the lack of loyalty and escape of talented, important employees. This tendency is confirmed by further results of the conducted research.

The pinnacle of the completed study is the identified size of potential organisational pathologies, which may have their source in a weak organisational culture, underestimated by the management. The majority of the surveyed people identified areas of potential dysfunctions in Part I (easily noticeable symptoms of organisa-
tional pathologies) – 39.5% – exactly at the level of symptoms in resource management, then in Part III (irregularities in operations and processes) – 39%, then in Part IV (pathogenic environmental impact of the organisation) – 32.5%, and in Part II (pathological phenomena related to people managing the organisations) – 32.1% (Fig. 1).

Fig. 1. Indicated areas of organisational pathologies in the field of the organisational culture in Polish companies in 2015 and 2016.
Source: own study on the basis of results of empirical research.

Such results indicate failure to conduct a conscious policy of shaping both human and social capital. The greatest problem is the fact of good employees leaving the companies (54.1%) and the unfavourable internal relations in organisations (35%). The respondents emphasised mundanity (63%), the lack of motivation of employees to work hard (53.3%), difficulties in convincing employees to changes (52.6%), and dissatisfaction of employees (44.4%) (Fig. 2). Thus, the respondents emphasised the majority of obstacles in the functioning of knowledge-based organisations, when contemporary service companies in the age of the new economy should be knowledge-based.

On the other hand, in Part III, with regard to deviations of basic organisational systems, the respondents selected successively: a defective task and project management system 49.6%, informational mess 47.4%, resistance to environment changes 45.2%, incorrect assignment of employees to certain tasks 45.2%, the disappearance of empathy 44.4%, a defective employee assessment system 41.5%.

In the case of the pathogenic characteristics of the organisations’ environment, verified in Part IV of the survey, the respondents indicated: budgetary restrictions 41.5%, connections 40%, social meetings 37%.

Unfortunately, superiors in Polish organisations are seen in an equally unfavourable light. The profile of a contemporary leader, which can be outlined based on the results obtained in the 2nd part of the survey (pathological phenomena related to people managing the organisations), is an individual with the largest cognitive limitations (36.3% of responses), characterised by the inability to assess people (40.7%) and a short-term perspective (35.5%).
According to the respondents, their superiors demonstrate perfectionism directed outside (47.4%), fear of someone discovering their own incompetence (42.3% of responses), excessive caution (40.2%), fear of disclosing information – thus, they are unsure in their work, unaware of their competences (38.1%). The respondents’ employees perceive their superiors as individuals unable to adequately assess the employees, not very open and communicative. In addition, they indicate the superiors’ tendencies to mythenia (50% of responses), their unwillingness to take risk (46.4%) and weak will power (40.2%). Therefore, the image of the superior in the eyes of the respondents is far from the Avery's concept of an organic leader [2009, p. 39], for whom the vision of the organisation emerges from the group and is an important element of the organisational culture, while he himself is appointed by the group, or the Gobbillot's concept of servant leadership, based on trust and conforming to knowledge and a knowledge-based organisation, not the other way round.

All these identified potential areas of organisational pathologies may have their source in the organisational culture of the examined organisations, completely different from the desired types of the organisational cultures based on knowledge or trust.

Conclusions

Nowadays, among the basic challenges for organisation’ operation in a competitive environment, the emphasised challenge is shaping the organisation's creative potential. It is assumed that the creative potential of an organisation means the opportunity to generate new solutions (knowledge), learn, introduce innovative changes in the organisation through learning, change and conscious personnel development.

The discovery or unleashing of the creative potential of an organisation should be based on a favourable organisational culture, namely free of dysfunc-
tions and pathologies. From the point of view of knowledge-based organisations, the desired cultures are the culture of trust, cooperation and knowledge.

The results of the conducted empirical research clearly indicate that the organisational cultures of the examined Polish organisations, from the point of view of their employees, are far from model cultures. The respondents, in most of their responses, also point out the lack of activities aimed at shaping the organisational culture of knowledge-based organisations. The irregularities and dysfunctions indicated by them include most tools that should, but are not used (Tab. 2).

Table 2. Means of affecting elements of the knowledge culture

<table>
<thead>
<tr>
<th>Key elements of the knowledge culture</th>
<th>Impacts</th>
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<tbody>
<tr>
<td>Mutual trust</td>
<td>Team work</td>
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<tr>
<td></td>
<td>Joint meetings, including integration meetings</td>
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<td></td>
<td>Management being a role model of, among others, openness and sincerity in the organisation</td>
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<td></td>
<td>Increase in awareness of the company's goals and clear rules of conduct</td>
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<tr>
<td></td>
<td>Performance of obligations towards employees</td>
</tr>
<tr>
<td></td>
<td>Choice of the personnel</td>
</tr>
<tr>
<td>Openness to the environment</td>
<td>Training courses</td>
</tr>
<tr>
<td></td>
<td>Choice of the personnel</td>
</tr>
<tr>
<td></td>
<td>Increase in awareness of the company's goals</td>
</tr>
<tr>
<td></td>
<td>TQM</td>
</tr>
<tr>
<td>Drive for power</td>
<td>Promoting professionals</td>
</tr>
<tr>
<td></td>
<td>Team work</td>
</tr>
<tr>
<td></td>
<td>Choice of the personnel</td>
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</table>

Source: A. Glińska-Neweś, Kulturowe uwarunkowania zarządzania wiedzą w przedsiębiorstwie, op.cit, p. 256.

Similarly, the image of the superior is not compatible with the current visions of a perfect leader. That is probably the reason for the basic problems identified in the study, related to obtaining and keeping the most valuable employees. Most respondents have a low level of attainment of expectations, and hence low motivation to work.

The mere fact that the way the superior is perceived is closely related to the organisational culture and affects the level of trust, constituting the necessary condition for shaping a trust-based culture, and hence the organisational culture of a knowledge-based organisation, is emphasised by J. Paliszkiewicz. The author notices that trust is also influenced by the individual characteristics of the individual, who is supposed to trust, and the environment the individual works in, including the organisational culture. On the other hand, trust determines results of operations, and thus the efficiency of the contemporary organisation operating in the new economy.

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