

# Chapter 17

## The New Paradigm of Corporate Culture

**Ksenya Belyaeva**  
*NLMK Group, Russia*

**Irina Burmykina**  
*Lipetsk State Pedagogical University, Russia*

### ABSTRACT

*This chapter presents an overview of the approach for theoretical conceptualization of the corporate culture of a large industrial company, incorporating consideration of technologies, values and risks, viewed from the synergetic and socio-technological perspectives. The concept is grounded on finding the optimal balance between flexible and rigid practices, as well as planned and spontaneous processes, which have practical relevance as organizations have a variety of combination and design options.*

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This chapter presents an overview of the approach for theoretical conceptualization of the corporate culture of a large industrial company, incorporating consideration of technologies, values and risks, viewed from the synergetic and socio-technological perspectives. The concept is grounded on finding the optimal balance between flexible and rigid practices, as well as planned and spontaneous processes, which have practical relevance as organizations have a variety of combination and design options. These decisions are underpinned by reasonable controls for mitigating risks, that organization face under conditions of uncertainty, in pursuing strategic objectives, setting tone at the top and people's perceptions of internal environment and performance components. The balance is reached through cultural interpretations of both styles of management and performance as well as decision making practices. As a result improvement of the system of social interaction based on individual qualities is eventually likely to provide an increase in the quality of internal environment as well as improvement of the operational effectiveness and efficiency.

Industrial companies are complex systems having mutually exclusive elements. On the one hand such companies are likely to focus on innovation, diversification and strong team orientation, on the other

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hand, they are more likely to emphasize stability, followed by the desire to reduce internal and external uncertainties (Chatman & Jehn, 1994).

That is why we propose the corporate culture ensure the optimal balance between spontaneous and planned processes, homogeneous and heterogeneous offerings. It means that such important components of internal environment as regulation and creative performance should be balanced.

The basic principles of designing the sociotechnical cultural centre around three ideas: the synergetic combination of the social and technical systems in an organization; the reasonable flexibility of performance techniques; and the application of corporate shared values to individual and group behaviour patterns to achieve these ideals.

The principle of triality, lying in the core of the phenomenon, is represented by corporate culture concept, social technologies and synergy paradigm and is used to explain the logic of creating and developing a special type of corporate culture for a big industrial company.

A new format of the corporate industrial culture refers to an integral consistency of mutually bounded and value justified ways of organizing social and operational processes, evolving a synergy effect and identifying the enterprise in the external and optimizing an internal environment.

Russian researches note that in the information post-industrial society towards which Russia is moving despite all the difficulties, individual achievements of success in life must be guaranteed first and foremost by their capabilities of technological thinking and behaviour. Yet the survey results show that a disposition to master and systematically utilize social technologies in everyday reality is not typical for an average worker (Babintsev, Boiarinova & Reutov, 2008a, 2008b).

It is true to say that domination and control of nature underlying in the essence of technologies can lead to unsatisfactory results if not added with values. Given that social technology in itself is limited and restricted in a way that it doesn't have any value foundation, corporate culture concept was proved well to provide this perspective. The third component, a synergy paradigm, serves as a methodological framework to explain the non-linear processes, taken place in the social organization.

According to the synergy concept the most powerful impact is being delivered in the bifurcation points, defined as the certain period in the system development, in which fluctuations of internal and external factor of development lead to various scenarios of the system's future. Among such points process boundaries, levels of cooperation, task complicatedness, intergroup relationships can be identified to name a few. Further research on combining the above mentioned tools needs to be held to offer other bifurcation points for overcoming environmental uncertainty and cross-functional boundaries.

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