

Analysis and suggestions on X Company's corporate culture

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Executive summary

The core competitiveness of an enterprise, to a large extent, comes from the competitiveness of corporate culture. Corporate culture is the priority among priorities in the development of contemporary enterprises. The research object of this report is X Company (pseudonym), a traditional construction company headquartered in Hangzhou, China, and a family business. The enterprise has been following the traditional management model for a long time. This report is written on the basis that the author has worked in X Company for a long time and has a certain understanding of the current situation of X Company and the construction of corporate culture. The specific research ideas are as follows: (1) Find out the basic information and organizational structure of X Company; (2) Analyzes the construction of X Group's corporate culture from four aspects: spiritual culture, institutional culture, behavioral culture and material culture, then finds out the problems and reasons. (3) Put forward corresponding suggestions.

According to this report, the problems existing in X Company's current corporate culture mainly lie in the following aspects: obstacles caused by family relationship to the implementation of company system, lack of systematic planning, cultural leader's role is not prominent, and so on. Therefore, this report puts forward the corporate culture construction strategy suitable for X Company from four aspects: corporate spirit culture, behavior culture, system culture and material culture.

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1 Introduction

Corporate cultures are a spiritual system created by the founder or leader at the beginning and development of the enterprise, which represents the will of the enterprise leader for the development direction of the company and can lead the employees (Maldonado and Ramos, 2018, p. 745–753). Through the construction of corporate culture, the core values of enterprises can be established and all behaviors of enterprises can be guided (Zhalgasovna and Rustamovich, 2022, p. 22–28). A good corporate culture can combine the values of the enterprise with the values of the employees and promote the development of the enterprise. Excellent corporate culture can be highly compatible with socialist core values, and gain recognition from the market and people. (Wan, Chen and Ke, 2020, p. 120877).

Researchers have not yet formed a unified view on the division of corporate culture levels, and the research results based on the three-level and four-level theory are dominant. The three-level theory is based on Schein's theory of corporate culture, which divides corporate culture into core basic assumptions, promoted value beliefs and artificial parts of culture (Hofstede, 1986, p. 199–201). Most domestic scholars divide it into material, institutional and spiritual culture on the basis of Schein, and add the dimension of "behavior culture". For some reason, the selected organization are referred to by X Company (pseudonym). This report makes reference to this four-level organizational culture model to analyze the construction of X Company's corporate culture. This report consists of three parts:

(1) The first part mainly introduces the background, development and organizational structure of X Company.

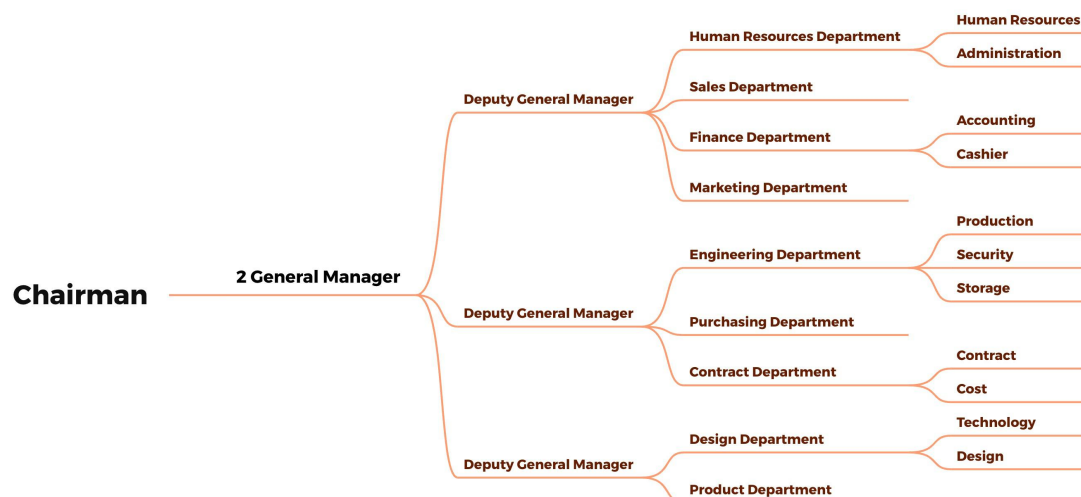
(2) The second part mainly analyzes the problems and causes of X Company's corporate culture construction, including four aspects: spiritual culture, behavioral culture, institutional culture and material culture.

(3) The third part mainly puts forward improvement and promotion strategies for X Company's corporate culture construction, and more detailed content will be shown in my presentation.

2 Organisational overview

X Company is a private chinese engineering company , dedicated to the design and construction of urban and road lighting, as well as a family owned company. The main business includes lighting design, equipment supply, engineering installation of customized services and project management. X Company was founded in 1999, headquartered in Hangzhou, and currently has three branches in Chengdu, Beijing and Shanghai.

X Company implements a highly centralized decision-making system for the general manager. One chairman (retired), two general managers, three deputy general managers, three deputy general managers in charge of the company's functional departments, each functional department has department managers. X company adopts the management mode of a group company. The group has three subsidiaries and seven functional departments: personnel department, Sales department, Engineering department, finance department, contract department, Design Department and Product Department.



(Figure 1 Organization chart)

3 The problem of corporate culture construction in X Company

3.1 Spiritual and cultural issues

Enterprise spirit culture is a value system with enterprise spirit as the core, which is used to guide enterprises to carry out production and management activities .It mainly includes the spirit of innovation, the spirit of learning, the spirit of competition, the spirit of valuing talents and the spirit of service(Dempsey, 2015,p.319–340).Enterprise spirit mainly embodies the unique and distinctive management ideas and thoughts of enterprises.The spiritual culture of an enterprise is embodied in its creed, vision and mission:

(1)Enterprise creed: to the best.

(2)Enterprise vision: To become a benchmark enterprise providing overall solutions in the lighting industry.

(3)Enterprise mission: engaged in customer value management, with lighting to customers and society to provide a beautiful visual environment; Create social value, provide customers with the best solutions, top products, quality service.

X Company lacks a core guiding principle for the construction of spiritual culture and has not established a systematic plan for the construction of spiritual culture(Kmecova and Tlustý,2021,p.07032) .The whole company has only a few systems for the spiritual culture.After all, X Company is a private family enterprise aiming to maximize profit.Most of its people and material support are placed on production and construction, and the motivation of building spiritual culture is relatively weak(Smimou, 2020,p.360–387).

The construction of X Company's spiritual culture also lacks practical means of implementation.Enterprises have emphasized the importance of enterprise spirit many times in the meetings, but almost only from the perspective of enterprise leaders and the oppression of employees, while ignoring the cultivation and encouragement of employees(Konstantinidou, Dillenburger and Ramey,2023,p.29–44). This practice has a great restriction on employees' acceptance of spiritual culture.

In addition, the leaders do not properly guide employees in the construction of enterprise spiritual culture, and the spiritual culture communication between front-line employees and leaders is also relatively lacking, resulting in employees' lack of understanding of enterprise spiritual culture. Moreover, the enterprise lacks regular propaganda of spiritual culture. Employees may have a certain understanding of the enterprise creed or vision, but they do not combine it with systematic spiritual culture, let alone clearly understand the core values of the enterprise (Sekiguchi, T. et al., 2019, p. 825–853).

3.2 Behavior culture

Corporate behavioral culture mainly refers to the behavioral level of corporate culture, such as some cultural phenomena produced by employees in interpersonal communication, operation and management, corporate publicity, cultural and entertainment activities. Behavioral culture in an enterprise mainly includes the following two aspects: the practice results of the system and the behavior of the enterprise spirit. Another manifestation of corporate behavior culture is the relationship between enterprises and customers, and the corporate creed is put into practice in customer service. The main significance of corporate behavior culture lies in the practice of corporate spiritual culture, the integration of corporate core values with corporate mission and vision, so as to enhance the core competitiveness of enterprises (Frecè and Harde, 2018, p. 184).

X Company has set up a corporate behavior culture supervision department, which is responsible for the supervision and assessment of employees' daily behavior norms (Natria, Samian and Riantoputra, 2022, p. e0278330). Meanwhile, based on customer feedback, it criticizes and punishes all employees' behaviors that damage the corporate behavior culture. X Company has carried out irregular publicity and training for the version of behavioral culture in corporate culture. For example, in the monthly staff meeting, praise colleagues with high personal behavior quality and positive performance in work, criticize and educate employees who do not implement the corporate behavior culture well and receive complaints from customers or

colleagues. To some extent, these measures have a certain restraint effect on the daily activities of employees (Pacelli, 2019, p.120–143).

However, companies do not adequately train employees in their professional skills and corporate culture. The company only requires employees to improve their skills and quality, but does not give them the opportunity to improve themselves, including for some employees with low education, nor give them the opportunity to learn and promote (Chambel and Castanheira, 2012, p.107–117). From the perspective of employees, the work of most employees tends to be saturated and they do not have much time to arrange their own learning. In addition, general employees have poor learning awareness, especially front-line employees, who do not have a clear understanding of the development form of the industry and personal development, and lack the awareness of active learning (Chung and Ouchi, 1982, p.317). This results in a certain degree of mismatch between the professional behavior quality of employees and the requirements of enterprise development.

Meanwhile, Due to its family business background, X Company has family members of its boss in all branches and important departments. In the early days of X Company, there was no division of labor and coordination among departments, and these managers themselves did not have enough experience in division of work and communication with departments (Porcu, et al., 2020, p.435–443). All these phenomena lead to the lack of effective communication in the work of various departments of enterprises. The human resources department also failed to develop a reasonable communication channel suitable for the enterprise, resulting in an indifferent attitude of all departments (Chi, Moon and Kim, 2021, p.4520–4534).

There was a lack of team building activities to promote communication among employees, and the most common gathering within the company was meetings. Besides, there were no dinners, sports meetings or even festivals activities. This phenomenon is due to the fact that enterprise leaders do not realize the core issues of internal management (OLIVA, 2018, p.5–15). In such an employment relationship, driven by simple interests, core cohesion cannot be established among employees (Salloum, et al., 2022, p.333).

3.3 Institutional culture

The enterprise system must be combined with the enterprise culture, the spiritual core idea will eventually be transformed into the system, and then standardized management(Vos and Boonstra,2022,p.102453).Corporate system culture is mainly reflected in the following aspects: human resource management system, reward and punishment system and enterprise operation system

The institutional culture of strong rules and weak execution hinders the development of corporate institutional culture(Yu,2021,p.01055).X Company has established a relatively perfect enterprise management system, but the complicated interpersonal relationship within the organization affects its implementation.When problems occur, family members tend to favor employees in their own department.The "double standard" system is adopted in the treatment of employees in family enterprises, which causes dissatisfaction among employees and also leads to the high frequency of employee dimission(Bettinelli, et al.,2022,p.383–414).

The ability of middle managers is insufficient, and X Company's human resource allocation needs to be improved.In terms of educational background, more than 70% of the middle-level leaders of X Company graduated from general colleges and junior colleges, and more than 80% of them graduated from non-management majors, so they do not have qualified professional management experience.Moreover, systematic management methods and means are lacking.In addition to the genes of the company's family enterprises, the management of each department of the company does not rely on relevant systems to implement.How to hire, manage, and manage projects is largely determined by the subjective will of the boss, or the personal preferences of middle managers.As a result, many department employees are friends or former colleagues of the department head.This group of people either have insufficient professional knowledge or lack of enthusiasm for work;Such a system of employment also secretly corrodes the enterprise gradually(Bussmann and Niemeczek,2017, p.797–811).

3.4 Material culture

Enterprise material culture is mainly divided into two levels. The first refers to the working environment provided by the enterprise for production, construction, publicity and packaging, such as office space, staff canteen, etc. The second refers to the products and services provided by enterprises for their own business development, which is the primary task of the development of enterprise material culture. It is a kind of surface corporate culture based on material form, and also the conditions for the formation of organizational culture spirit layer and system layer.

On the one hand, the brand image of X Company is weak. The employee image and the overall image of the office do not fully demonstrate the spiritual state and cultural connotation of the enterprise. The company does not buy uniform work clothes for employees, so employees dress in different styles; Office supplies, including computers and filing cabinets, are not uniform in appearance, which affects the overall office image (Gonzalez and Chakraborty, 2012, p. 51–65). These do not play a positive role in the publicity and promotion of corporate image.

As X Company is a traditional construction enterprise, it is very important to display the publicity slogans, safety, quality, image, health and other related publicity signs and warning signs. This not only represents the professional strength of the enterprise, but also represents the strategic development pattern of the enterprise (Filho, Andrade and Marinho, 2010, p. 615–624). However, X Company has not formed a complete construction system in this field. Therefore, the material and cultural construction of enterprises in this aspect still needs to be strengthened.

The emphasis and methods of enterprise material culture propaganda are also unreasonable. In the construction and promotion of material culture, X Company still focuses on the Hangzhou headquarters and deeply improves the office environment of the headquarters, including the overall office layout and customized staff work clothes. The company hopes to influence the material culture improvement of all branches by improving the material culture of the head office (Nanayakkara, Wilkinson and Ghosh, 2021, p. 69–86). But X Company's actual major projects are concentrated in

Chengdu-Chongqing, and the company has also transferred most of the enterprise's elite force to Sichuan and Chongqing. Therefore, in terms of the construction of corporate material culture, X Company's material culture strategy has certain deviation.

4 Conclusions

This report analyzes the problems of X Company's current corporate culture construction. The main problems lie in: family enterprises cause certain obstacles to the implementation of company system, lack of systematic planning of spiritual culture, and the role of spiritual and cultural leaders is not prominent enough.

On the basis of the problems found, this report proposes to formulate corporate culture construction strategies suitable for X company through the four aspects of corporate spiritual culture, behavioral culture, institutional culture and material culture. Due to various factors, the views of this report are still limited to a certain extent, and some strategies given in the paper are not enough. Since the author has not joined X Company since its establishment, his judgment on some problems of X Company is not completely accurate.

The presentation will discuss these suggestions further:

(1) From the perspective of spiritual culture, X Company should establish a complete corporate spiritual culture system planning, improve the application system, establish feasible propaganda programs, build a harmonious relationship between superiors and subordinates and employees, and give play to the spiritual leadership role of leaders (Schönborn, et al., 2018, p.1–10).

(2) In terms of behavior culture, X Company should carry out targeted staff training and corporate behavior culture training, improve employees' personal ability and quality, build up employees' correct behavior awareness, guide employees to cooperate with each other and departments in a targeted way, increase team building activities, and strengthen the interaction between the company and employees. (Monteiro, et al., 2020, p.574)

(3) At the level of institutional culture, X Company should establish the interest correlation between employees and the company, strengthen the execution of the system, and listen to the opinions of employees extensively in the decision-making system to avoid "one person dominates".It should reform the company's employment system and take individual working ability as the primary standard.(Haryati,2022,p.87–98).

(4) At the material and cultural level, X Company should strengthen its brand image based on its history of development; Make full use of network media to carry out company publicity and project publicity with focus and purpose(Jones, Fleming and Laugharne,2018,p.126–142).

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