

Organizational Culture and Entrepreneurial Performance in Business Administration

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Abstract

In the market economy an overview is visible, according to which organizational culture is correlated with the entrepreneurial performance. Therefore, the economic actors' behaviour is an essential component in the formation and development of entrepreneurial performance, and also is evident the correlation between the theoretic field and practices, regarding the relationship between an organizational culture and the entrepreneurial performance. Moreover, methodological openings towards the new paradigms reflect different ways of approaching the knowable contents. It is about the objective analysis of the contextual situations, analysis which reflects the transmission and reception of entrepreneurial typologies that are effective on the social level. Furthermore, adopting a consensual methodology to the level of entrepreneurial dimensions legitimize precisely those social responsibilities designed to support efficiency and educational performance. For this purpose, we consider that it should be granted an important role to the connection between entrepreneurship methodology and knowledge system, depending on which the strategies initiated are operationalized. Therefore, such connections depend on the strategies assumed in the process of materialize the business performance.

Keywords: *Organizational Culture, Entrepreneurial Performance, Business Administration, Economic Players, Business Model.*

Introduction

The issue brought into discussion allows taking into account a social pragmatism according to which the optimal use of assumed strategies becomes possible on the level of an economic paradigm. From a purely conceptual perspective there are visible some behavioral structures designed to provide legitimacy to the activities undertaken within the size of the scientific disciplines. Furthermore, the entrepreneurial innovation emphasizes the theoretical acceptance of differences, which, however, reveal through the communication channels a

stratification on the decision making process at different levels of reality. Therefore, the ability of socio-educational actors to understand the role of a new disciplinary typology at the level of knowledge society lies in decisional substantiation regarding the requirements of a valid business model.

Socio-cultural methods of highlighting the comprehensibility of economic education depends on the priority given to a scientific approach, through which consensual strategies are promoted. Thus, the relationship between culture and values that are found in an organization reveals a pragmatic view of the implementation of management strategies.¹

In this regard, an analysis of human values tend to a specific form of social pragmatism. Hence the overall size of the training - development allows an approach through which social expectations relate to the idea of functionality of the economic education.

This epistemological status of economic education and, consequently, of the managerial dimension, does nothing but reveal - conceptually speaking - a well designed linguistic formalism whose logarithmic action translates into standards and principles of the business dimension. However, the epistemology of economy, related to action strategies substantiation sends to concrete differences, through which is underlined a problematization that need to be resolved only by the reference of the explanation process to the attitude of economic actors.² Under these conditions, are possible the explanatory structure dimensions, from a methodological point of view, as far as the practice of demarches initiated generates performance and creativity. Precisely, we consider that this aspect represents an important starting point with regard to assuming a decision. It is a methodological perspective that is performed, according to an epistemology of economic education.

Organizational culture and the validity of a business model

The acceptance of an organizational culture reveals the size of a methodological process based on the operationalization of entrepreneurial principles. Thus, the sequential organization of the social reality requires taking into account the educational and value terms, according to which the organization's

¹ E. Schein, *Organizational Culture and Leadership* (3rd edition, San Francisco: Jossey-Bass Business & Management Series, 2004), 7.

² I. Pohoată, *Epistemologie și metodologie în știința economică* (Epistemology and methodology in economic science) (Bucharest: Economică Publishing House, 2011), 55.

employees come from different cultural dimensions.³ Also, the development of entrepreneurial activities initiated within the economic process reveals at the level of scientific paradigms several strategies reflecting an expression of the validity of managerial principles. Therefore, understood as a social phenomenon, the economic reality expresses a image within which diversified business strategy are visible.

This perspective reintegrates itself into a socio-economic dimension in which functional structures are obviously designed, according to certain landmarks values. We consider in this situation the idea of anticipative economic education, through which scientific knowledge is related to the optimal operating strategy. An example of this is the representation of entrepreneurial innovation related to small businesses'performance.⁴ Therefore, the question whether reassessment of the specific economic education refers to the analysis of some aspects manifested in individual forms in society. Although it is difficult and not easy to change,⁵ organizational culture requires taking into account a set of norms and rules shared by its members.⁶ For this purpose, the economic dimension and its social capitalization reveals in conceptual-theoretical, as well as practical terms the way in which it can impose an entrepreneurial strategy. This is a reality in which organizing entrepreneurial skills within an economic system plays a major role in the materialization of management strategies. Peculiarities related to such activities highlight relevant necessary and sufficient reasons, to ensure a pragmatic understanding of entrepreneurial activities performed.

Entrepreneurial speaking, the scientific approach sends to a reevaluation and a re-conceptualization of the relationship between economic management and economic education. Therefore, the particularity of an organizational culture lies in the ability of symbolizing of what is known as entrepreneurial competence. We consider, in this regard, establishing connections between different levels of understanding, situation which reveals a particular way of expression, based on a responsible economic awareness. Therefore, awareness of the scientific experience sends to reorganization and reassessment of cognitive structures.

³ D. A. Buchanan and A. A. Huczynski, *Organizational Behavior: An Introductory Text* (Harlow: Financial Times Prentice Hall, 2001), 624.

⁴ Y. Georgellis, P. Joyce and A. Woods, "Entrepreneurial action, innovation and business performance: the small independent business," *Journall of Small Business and Enterprise Development* 7, 1 (2000): 7-17.

⁵ L. G. Hrebiniak, *Strategia în afaceri (Business strategy)* (Bucharest: All Publishing House, 2009): 215.

⁶ N. Tantau, "Rolul culturii organizaționale în promovarea inovațiilor" (The organizational culture role in promoting innovations), *Management & Marketing* (vol. 4, Bucharest, 2006): 13-22.

For this purpose, the validity of managerial principles expresses a social-economic pragmatism, designed to highlight the dynamic of assumed scientific paradigms. It is about understanding the the entrepreneurial activities related to the historical fact. With regard to this state of facts, we consider the idea that entrepreneurial dimension reveals, on the one hand, some possibilities of representation the strategies of action and, on the other hand, setting an eligibility criteria that constitutes a starting point in the materialization of entrepreneurial objectives.

However, not every time there is an optimal correspondence between prescriptions of entrepreneurship courses and training programs.⁷ Moreover, scientific objectivity of economic actors become obvious precisely by relating their strategy to problems of social-entrepreneurship nature. In these circumstances, the communication between economic actors reflects some connections of value between what is known and what may be applied in terms of this knowledge. This situation generates a form of economic education, one based on competition and performance.

This perspective allows structuring the economic information on different levels of understanding. Furthermore, the prospects for reform, underlying this analysis, support the need to implement an entrepreneurial methodology that depends on contextual reality as well as on organizational culture. Thus, the sequential organization of economic standards does nothing but outline the epistemic method of understanding the entrepreneurship. The benefit of such an approach is the fact that experience over time shall be reported to a well-founded management strategy. In this manner appear horizons of knowledge that generates specific forms of economic behavior.

In this regard, we bring in question the idea of Gary S. Becker with regard to the economic approach of the human behavior. It outlines the main attributes of economic thinking. Starting with the idea that the economic approach is powerful because it can integrate a wide range of human behavior, Gary S. Becker emphasizes that such a comportament can be seen as a set of participants whose utility becomes the highest. This situation is made possible by maximizing the utility in conjunction with the build-up of optimal preferences in terms of the amount of information on the market.⁸

⁷ F. Anghel and B. N. Glavan, "Activitate antreprenorială versus relație antreprenorială educațională" (Entrepreneurial activity versus entrepreneurship education), *Revista Română de Afaceri Economice (Romanian Economic Business Review)* 4 (1), (2009): 59-64.

⁸ S. G. Becker, *Comportamentul uman o abordare economică (The Economic Approach to Human Behavior)* (Bucharest: Bic-All Publishing House, 1998), 3-15.

As a result, the revaluation of the social experience implies a separate specific character of how are understood and implemented the entrepreneurial strategies. There are obviously some functional correlations designed to show the role that the scientific contents have at the paradigm level. Thus, a thorough understanding of the behavioral relationships illustrates an explanatory perspective of the professional identity. However, the managerial- decision making process is reflected in the extent to which undertaken strategies reflect the potential manifestation of entrepreneurial activity. We consider in this context, a business model built on well-established management strategies, in line with the performance of the business administration.

The performance at the level of business administration

The dimension of the economic reality becomes relevant considering that the materialization of entrepreneurial strategies relate to the idea of economic performance. An approach of this kind expresses -to the social level- the ability to accept that the evaluation of economic phenomena and processes depends on the flexibility of the social system. However, the general features economically involve assuming a value reference according to which, on one hand, are realized social correspondences between performance and competition, and on the other hand, it is aimed the understanding the consequences of contemporary performance measurement.⁹ Therefore, capitalizing the assumed managerial strategies at the level of organizational culture reveals an axiological context in which business administration is the most relevant item.

An argument which supports the idea that business administration becomes relevant by highlighting the concept of economic performance is the idea that the quality of the economic system is correlated with the status of innovation. We consider in particular the performance and the managerial reorganization of entrepreneurial activities. In this situation, the success of innovation depends on the innovator's quality, but also on the work which he performs and on how the market fluctuates.¹⁰ We also consider that the performance at the level of business administration must be linked to strategies to prevent crisis situations. In this regard, the literature emphasizes the idea that prevention strategies play a

⁹ M. Franco-Santos, L. Lucianetti and M. Bourne, "Contemporary performance measurement systems: A review of their consequences and a framework for research," *Management Accounting Research* 23 (2), June (2012): 79-119.

¹⁰ P. F. Drucker, *The Essential Drucker* (Bucharest: Meteor Press Publishing House, 2010), 238.

significant role in avoiding the crisis in business.¹¹ It is obvious that economic processes and phenomena acquire a pragmatic character as far as socio-cultural meanings are closely related to the people's living standards.

An important aspect in assessing entrepreneurial performance is given by the efficiency criteria through which it is possible to draw complex strategies, decisions and results. Moreover, reflecting this type of qualities involves also motivations related to the profitability of accessibility degree in business horizon. It is about taking a Competing Values Model, which may be related to the relationship between organizational culture and agile methods deployment.¹² Therefore, the evaluation of economic phenomena and processes depends on the flexibility of the social system.

Ignoring these above-mentioned aspects implies a risk to the implementation of the entrepreneurial strategies. In other words, we consider necessary to mention that, at the social level, the emergence of new insights in the functioning of an economic system generates an entire process of theorizing on various levels of organization. In this manner it can be analyzed how they affect the performance at the level of business administration.¹³ Therefore, the orientation towards economic efficiency is facilitated by the specific activity of economic actors, and this expresses the tendency towards flexibility and continuity of the promoted paradigm.

Regarding the idea of performance, we consider it necessary to mention the important role it has, on the one hand, the assesment of professional competences, and on the other hand, the motivation at the level of organizational culture. Firstly, in terms of assesment of professional competences, we mention the usefulness to organization level of the dimension of human resources.¹⁴ Secondly, we support the idea that the motivation is necessary for both managers and for their subordinates.¹⁵ Thus are also known in the literature theoretical

¹¹ A. Burciu, *MBO și ciclul afacerilor* (MBO and business cycle) (Bucharest: Economică Publishing House, 1999), 199.

¹² J. Iivari and N. Iivari, "The relationship between organizational culture and the deployment of agile methods," *Information and Software Technology* 53, 5, May (2011): 509-520.

¹³ R. Deshpandé and J.U. Farley, "Organizational culture, market orientation, innovativeness, and firm performance: an international research odyssey," *International Journal of Reasearch in Marketing*, 21 (1) March, (2004): 3-22.

¹⁴ S. Ponea and A. Sandu, "Evaluarea competențelor Profesionale. Dimensiunea constructivă a Managementului Resurselor Umane" (Assessment of Professional Competences. Constructive Dimension of Human Resources Management), *Revista Românească pentru Educație Multidimensională (Romanian Journal for Multidimensional Education)* 2 (4), (2010): 17-40.

¹⁵ S. C. Certo, *Managementul modern (The modern management)* (Bucharest: Teora Publishing House, 2002), 465.

approaches regarding motivational theories (individual, organizational, mixed). In these circumstances, the performance of entrepreneurial character seen as a measurement of welfare in organizational culture reflects the outcome of the whole endeavor initiated by economic actors through better assumed management strategies. Such a situation could only express a methodological foundation in which the evaluation entrepreneurship depends on the pragmatism of such strategies.

A competitive economy requires quality in terms of assuming entrepreneurial strategies. In this manner, the economic reality reveals a typology of strategies undertaken at the level of organizational culture. Moreover, there are significant epistemic capacities of understanding these strategies, strategies that are initiated and coordinated by decision makers actors of the organization. However, the entrepreneurial activities performed acquire a social connotation to the extent that competition is encouraged. An entrepreneurial performance is possible since there is a correspondence between the resources involved and the promotion of pragmatic strategies.

Conclusion

The status of a business model that enjoys validity reflects an approach that is rather the assuming of certain well-established management strategies. Therefore, it is obvious that the behavioral pattern specific to the economic dimensions may lead to social level strategies that can justify the functionality of the organization. Although certain metamorphoses of the economic process are visible, the idea of business model emphasizes a complex state of facts, sometimes paradoxical for the socio-economic actors. However, the behavioral requirements may be compensated by setting certain value criteria specific to the new type of economic thinking. In these circumstances, we conclude that the values promoted within the organizational culture come under specific human behaviour, but also under decisions promoted at the ontological level.

The benefit of this approach lies in the view that the entrepreneurial strategies undertaken by economic actors prove their usefulness as far as business administration enjoys of some qualitative consistency. In other words, individual behavior and collective economic models tend to generate social interaction values. The perspective of a competitive economic / entrepreneurial education illustrates a social reality in which fundamental activities sent to the social responsibilities. Moreover, organizational culture depends on individual and group values which, in their turn, relate to social norms. In this manner, a new

perspective on business administration requires a conceptual-theoretical and practical approach, in which plays a relevant role the idea of economic behavior, being in conjunction with the idea of entrepreneurial quality.

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