CHANGE OF THE CORPORATE CULTURE IN TRANSFORMING OF ISO 9001: 2015 AND ISO 14001: 2014

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ABSTRACT

Corporate culture promoting the quality is focused on employees' behaviour concentrated on the continuous improvement of the quality of processes and products. The final objective is to meet the changing requirements of customers at an appropriate management efficiency of the organization, which lead to a competitiveness. The basic focus of the organization at the quality promotes a culture, which results in behaviour, opinions, activities and processes that add a value to the fulfilment of the needs and expectations of customers and other relevant stakeholders. The aim of this contribution is to identify the changes in the corporate culture through strengthening customer orientation, changes in the attitudes and behaviour of employees through increased engagement, and motivation of the employees required for the transformation of the standards ISO 9001/2015 and/respectively ISO 14001: 2014. The contribution is a part of the solving of the grant task VEGA 1/0990/15 Preparedness of industrial enterprises for the implementation of the requirements of standards for quality management systems ISO 9001: 2015 and ISO 14001: 2014.

KEY WORDS: *culture, quality, environment, management, system*

Introduction

One of the ways to improve the access of the top management, and thereby increasing the competitiveness of companies in ever-changing competitive environs, is to improve the management culture. A good corporate culture is a very effective tool for the top management. (Šigut, 2004 p. 34)

The aim of the organization is to meet the needs and expectations of customers as well as the other stakeholders and simultaneously to reach, maintain and improve the overall performance and the capacity of the organization. Surveys of economically successful enterprises show that the soft factor "corporate culture" contributes to their success.

The change of the corporate culture belongs to some complex management tasks. Any organization that is committed to the transformation of quality management or environs in accordance with the new requirements, has to create such environs in which there are supported the involvement of workers for the effective management of changes and new requirements.

1. Corporate culture

The notion of corporate culture is defined by several authors, however all definitions have the same characteristics and essence of: "...the shared philosophies, ideologies, values, assumptions, beliefs, expectations, attitudes and standards ... how to make decisions and to solve problems…" (Kilman, Saxton, and Serpa, 1985, p. 5)

In the case of a corporate culture that is essential for the transformation of new approaches to the management of quality or environs, it is necessary for a top manager to be in the role of a leader, to be a personality that leads the way, to be a motivator and coach in the organization, to implement the creative management style and both acknowledges and objectively appreciates the achievements reached, the behaviour of individuals but also of the whole team.

At present, there becomes a reality the transformation of the standards ISO 9001:2015, that are affecting, in particular, some changes in approaches to the management of quality in areas such as the change of behaviour of the leaders, change of management (with respect to the risks) with an emphasis on continuous improvement, creativity and innovation. From all this it follows that there is a change in the corporate culture of the organization.

Continuous improvement is the basement of the corporate culture, which provides the organization the management aimed at constantly improving, and educates employees to search for ways of possibilities for improving and solving some deficiencies. The corporate culture of a particular organization must be able to effectively cope with the changes in the organization. The characteristic features of a corporate culture that supports the transformation of requirements for quality management system and/or environmental management system are as follows:

- involved, active and competent employees identified with the organization objectives which they effectively perform,
- individual responsibility for performance of the tasks and resolving of disagreements.

2. Some of the requirements for the quality management system

The new standards ISO 9001: 2015 and ISO 14001: 2014 substantially extended the requirements to the top management–leaders. The top management has to perceive and quickly respond to changes in the business environs, to take an interest and make survey about stakeholders that can influence this business environs. New challenges and opportunities require
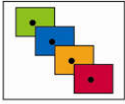
for the leaders to have a more sensitive approach to search and cope up with risks, the ability to respond to changes and to be creative enough or at least flexible. (STN EN ISO 9001: 2016, STN EN ISO 14001: 2015). It is further specified that the organizational changes must be implemented in a planned way. Typical changes there can be some changes induced by the maintenance and improvement of the quality management system, at the changing of some processes, internal and external aspects. Typical examples of organizational changes may be –the introduction and take-up of new technologies, the changes in significant external provider, a change of the place of performance of services, major personnel changes, etc. Employees of the organisation represent resources that may directly or indirectly influence their growth and the sustainability of their performance. The aim of each organization is to support its operation comprehensively. The management of the organization includes particularly the setting of the whole management system of the organization– set of the values and rules of the organization, setting up an organizational structure, resource management, processes and performance settings. For this reason, a basic requirement in the framework of the quality management system of the organization is to determine the responsibility of leaders for systematic and organized using of the knowledge of organization in knowledge, which is essential to the growth and wealth of the company and the care about them. This is related to the requirement of continuous development of knowledge of all those employees who may need them. In this case, we perceive the knowledge as a set of abilities, skills, experience, intuition, rules, and principles, personal notions of a specific person or a group of people. The requirement of the standards ISO 9001: 2015 and ISO 14001: 2014 is that the top management (leaders) have to assess how to primarily identify and continuously acquire the knowledge needed to meet the expected and anticipated future needs, to assess the knowledge requirements along with the current need for knowledge of its staff, to assess the form of knowledge and the extent to which knowledge is identified and protected.

Communication in the framework of the quality management system and environmental management system increases the involvement of the people and improves the understanding of management and approach of the organization; it allows clarifying the needs and expectations of customers. Communication is a two-way process. Sharing information and subsequent feedback obtaining are the cornerstones of a good corporate culture.

3. Corporate culture at the transformation of the requirements of the standards ISO 9001: 2015 and ISO 14001: 2014

3.1. Analysis of the current state of fulfilment of requirements of ISO 9001: 2015 - survey

The survey was carried out in the period from May 2016. For the purposes of the processing of this article there were selected from the questions of the questionnaire those ones that were related to the selected area of the present state of the corporate culture in organizations, which began with the transformation of the new standards ISO 9001:2015 and/or ISO 14001:2014. The sample of the questioned consisted of 60% of medium-sized and of 40% of large manufacturing companies. This is a partial survey and there were evaluated 125 enterprises.

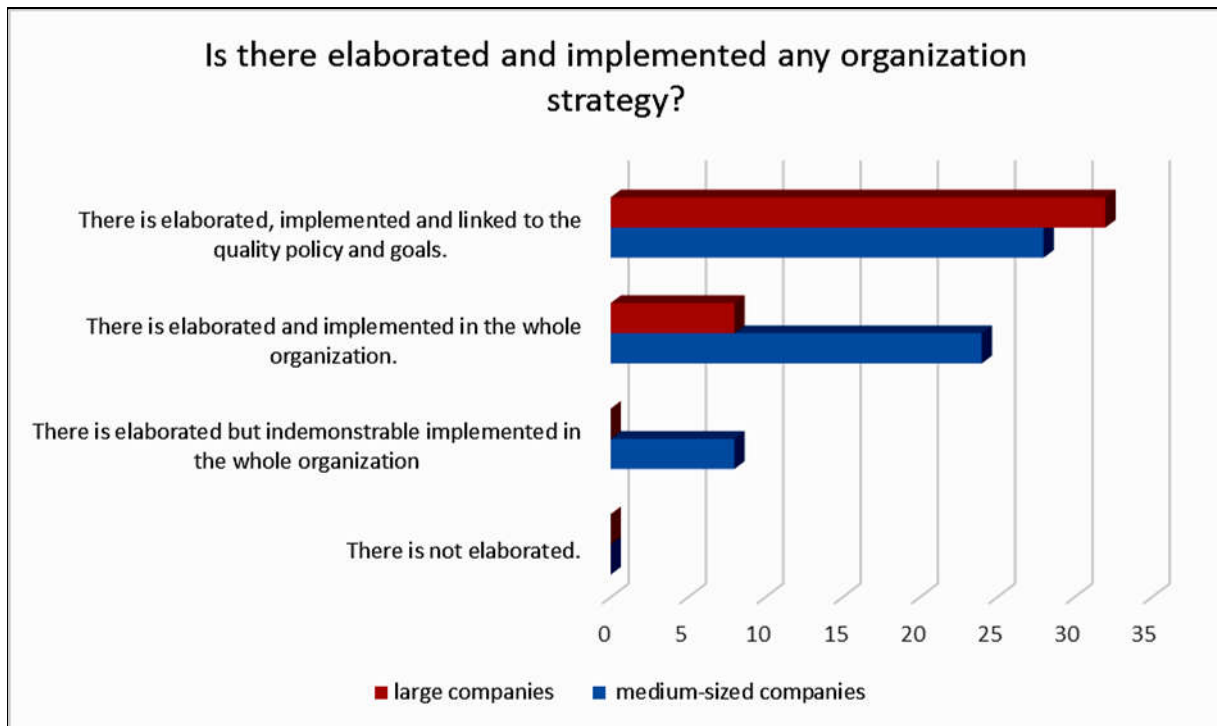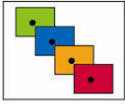From the questionnaires there were selected and evaluated the following questions:

Fig. 1: Implementation of the organization strategy

The requirement for a successful and transparent application of the organization strategy is directed to the interlacing of the strategy at the lower levels through the objectives and quality policy, which can be fulfilled in the case, if there is created a systemic approach to the monitoring of the objectives achievement at various levels of governance, which must be all the key employees informed with.

The survey results showed that only about 27-32% of enterprises have got a strategy revised in the lower levels through the definition of the objectives, so that is possible to evaluate their performance. In the case of medium-sized enterprises, the strategy is defined; however it is not proven its performance in 20%. As a result there is proven the lack of access of the top managers to the monitoring of the process of the strategy implementation. If there is created some systemic access to searching of the forms of performance of the organization strategy and information in the form of objectives for the lower levels of management, it should come to reconciliation/removing of some vague approaches/attitudes of employees contributing to filling the defined strategy.

Management should continuously search for opportunities that may lead to the adoption of new practices, to the introduction of new products, to opening new markets, to new customer acquisition, and to the use of new technologies to meet the needs of the organization and its customers. There are some strategic innovations which require the involvement of all employees.
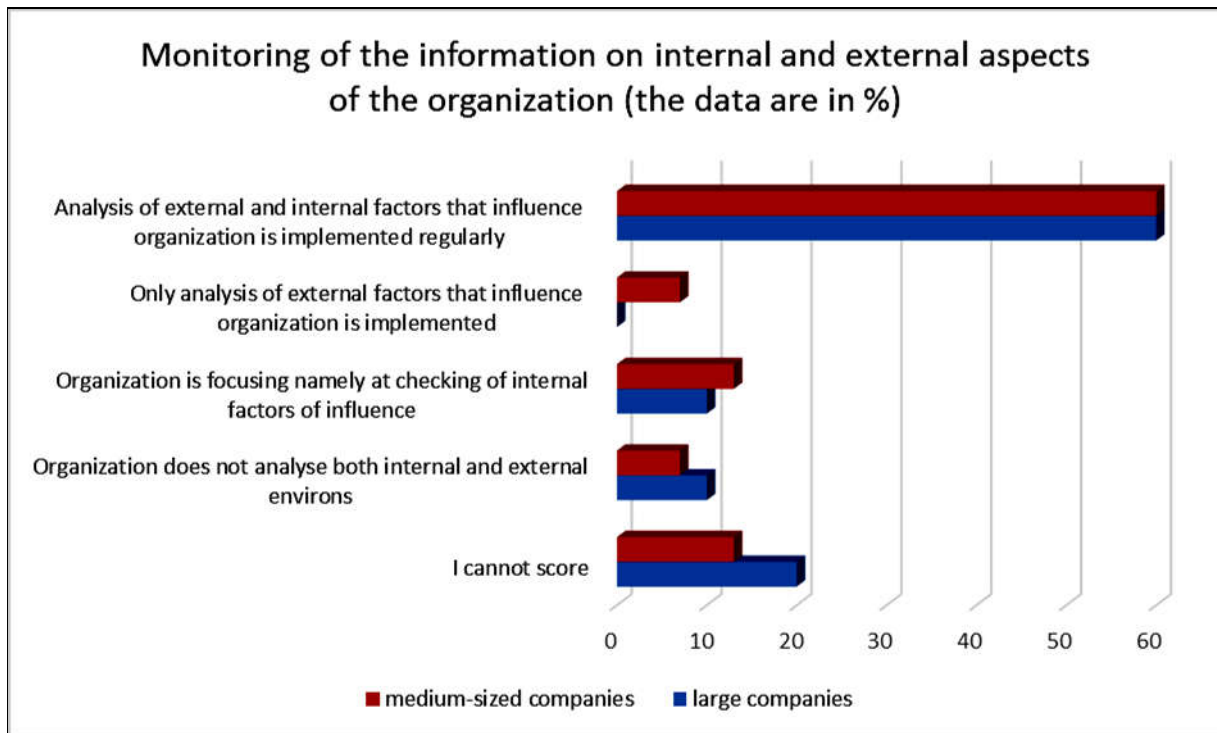

Fig. 2: Monitoring of information on internal and external aspects of the organization

The term internal aspect can be understood as some aspects that are based on values, culture, knowledge and performance of the organization. The external aspect results from the legal, technological and competitive, market, cultural, social and economic environs. With these inputs, the organization obtains enough information that can serve the formation of an innovative environs in organization. From the survey is clear that, regardless of the size of the enterprises consulted, they regularly analyse both the external and internal aspects while they obtain enough information about the direction of the organization or to anticipate the expected changes, which may be an incentive to consider some innovative approaches, and thus also to some change in the corporate culture. The interesting thing is the fact that some medium-sized enterprises are focusing more on the external than on internal aspects, which actually validates the monitoring of the business environs.
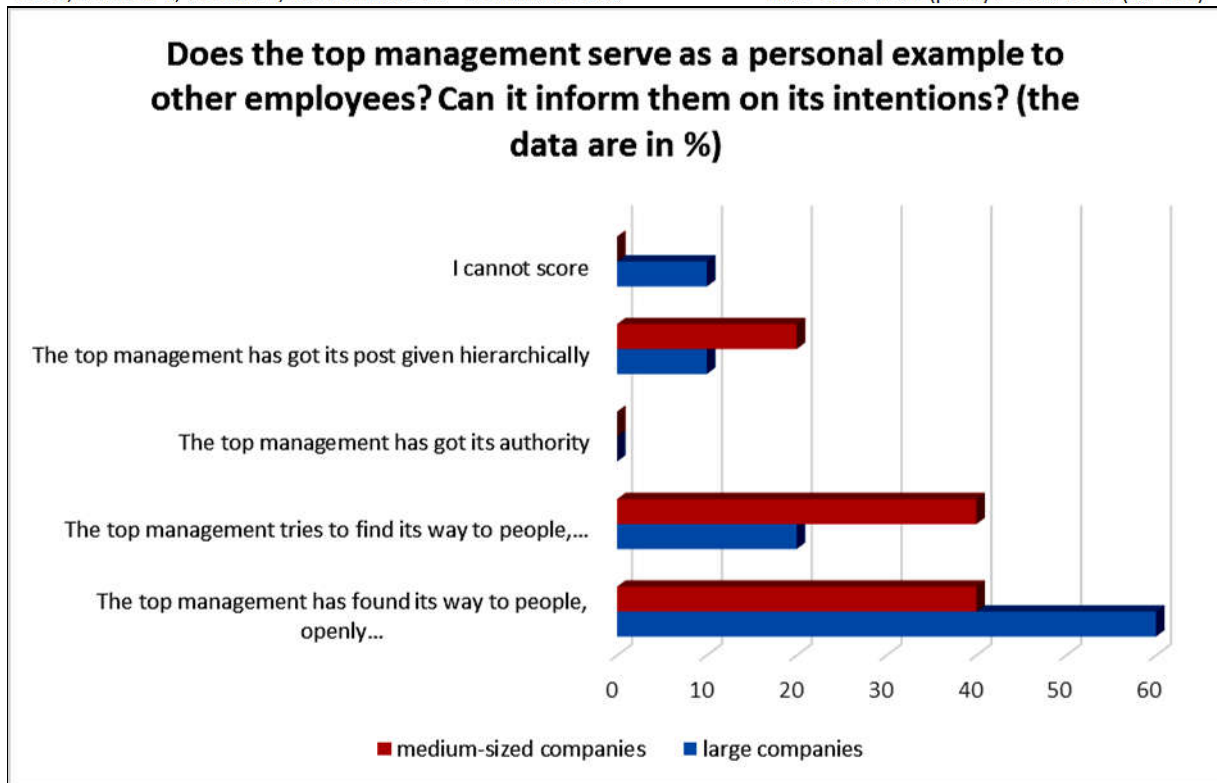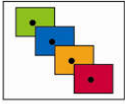
Fig. 3 Openness of the management to the communication with employees

At the corporate culture, it is necessary for the management of the enterprise to support and to engage employees, what must be their commitment. The survey shows that the behaviour of the managers, which promote a corporate culture (open communication, the possibility to express him/her/self, to be a role model for others) is more pronounced in large enterprises. However, at both types of organization they try to find or already have created a way to the open communication in about 80% of the questioned.

3.2 Discussion

The survey shows that the challenge is to embrace and understand the soft factors and to define them as a concept that can be used at transforming the standards ISO 9001: 2015 and/or ISO 14001: 2014.Because of this, it is necessary to deal with the question, what are the characteristics of corporate culture at the transformation of individual standards requirements.
The questions, that can be asked, are e.g.: What characters and characteristics should a culture have and how they can be used as a tool of governance affecting the effective change of approaches, in accordance with the required standards?
The exact rules and fixed and defined structureshave a negative impact on creativity and motivation of employees, which are an important prerequisite for the first stage of the change at the transformation of standards.
Changes of the structure mean a change in the formal arrangements of the organization, modification in the extent of centralization or decentralization, authority, work descriptions, etc. Technological changes relate to the machinery and equipment used, and to the ways and methods of work performance. Changes in the field of people interfere with approaches of people to work, their expectations, their perception of work and organization, which is reflected in their behaviour.

CONCLUSION

Each organization that is committed to the implementation of new approaches of the organization to the requirements of the standards ISO 9001: 2015and/or ISO 14001: 2014 must create such an environs in which the employees´ creativity is supported, which results in the possibility of different forms of improvement.
Enterprises through building a favourable corporate culture are trying to ensure higher productivity, greater employee satisfaction and the sustainability of the organization in relation to the environment. A key role in this is met by leaders of the organization, who are changing also their roles in organization including the management style. The communication and its form and the way that should be efficient for the emerging environs are also important.
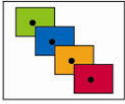
The survey results indicate that there is a need to create a systemic approach in the sense of –the current corporate culture analysis (including a selection of characteristics, marks and sphere of analysis), the proposal for a corporate culture that supports improvement and change management, the implementation of change, the evaluation of the effectiveness and of the impact, and the reinterpretation of an approach. The survey also pointed out the different results that characterize the organization environs to change of preparedness to the corporate culture change. This fact is necessary to be taken into account at the change in the corporate culture, which is necessary to address in the case of the efficient transformation of the standards ISO 9001: 2015 and/or ISO 14001: 2014.

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