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# Changing the Corporate Culture Towards the Human Resources Development

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Additional information is available at the end of the chapter

<http://dx.doi.org/10.5772/67715>

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## Abstract

The existence of desired corporate culture is one of the prerequisites for business success. The object of this chapter is the corporate culture in Slovak enterprises and the possibilities of its change towards the raising level of human resources development. Based on the analysis of corporate culture in selected enterprises, the aim of the chapter is to propose methodology for management of change of corporate culture supporting the development of human resources in enterprises. The sociological interview identifies the predominant type of corporate culture in Slovak medium and large enterprises in years 2014 – 2016. The examination is based on the assumption that there are significant differences between preferred values of corporate culture in local and global enterprises. It also identifies the need to change the corporate culture in enterprises and their awareness of corporate culture change management towards human resources development. The results of the survey verify Slovak managers' interest on human resources development and the formation of strong corporate culture. The results are the basis for the formulation of proposals and recommendations resulting in the methodology for management of change of corporate culture supporting the development of human resources in enterprises.

**Keywords:** corporate culture, corporate culture change, diagnosis of corporate culture, OCAI, clan culture, adhocracy culture, market culture, hierarchy culture, human resources development, Slovak enterprises

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## 1. Introduction

People are the basic prerequisite for the successful operation of the enterprise processes. Their professional knowledge and experience are the most important capital for the enterprise [1]. Enterprises cannot be successful in the long term without people who possess the characteristics

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of entrepreneurs; also enterprises cannot be successful if individuals are entrepreneurial but the conditions within the enterprises are not established to promote entrepreneurship or even hinder the entrepreneurial actions of employees [2]. Corporate culture is considered to be one of the main determinants of people's behavior. It is present in every enterprise no matter the size, focus or location. The existence of desired corporate culture is one of the prerequisites for long-term success. A strong corporate culture is a combination of strategic perspective of management and human resources development, which result in reasonable behavior of managers and employees. Authors who study corporate culture [3–11] and many others agree that the corporate culture is a specific phenomenon and a special attention must be paid to its formation by management. Forming corporate culture is a complex and long-term process, because the thinking and behavior shaping of employees are quite inertial. The change achieved by power is usually rejected. The success in changing the corporate culture consists of consensus in five areas; compact enterprise mission, goals in the process of change, methods used to achieve the goals, methods used to measure the progress and corrective actions [12].

Most of the attempts to change the corporate culture are unsuccessful because the existing values and standards of behavior [13] hinder such effort. The implementation of desired corporate culture mainly involves a change in the work of managers for the purpose of defining corporate behavior and maintaining such routing that takes into account the current situation and includes activities affecting the development of all the components of culture [10]. The value of corporate culture is underestimated by some Slovak enterprises. As a tool, it enables enterprises to unify the various values, interests, and approaches of employees [14]. On the other hand, big multinational enterprises have come to realize that apart from the traditional quantitative or financial tools affecting enterprise competitiveness, qualitative nonfinancial factors have a substantial impact [15].

The object of this chapter is the corporate culture in Slovak enterprises and the possibilities of its change toward the raising level of the human resource development (HRD). Based on the analysis of corporate culture in selected enterprises, the aim of the chapter is to propose a methodical procedure of corporate culture change supporting the HRD in enterprises.

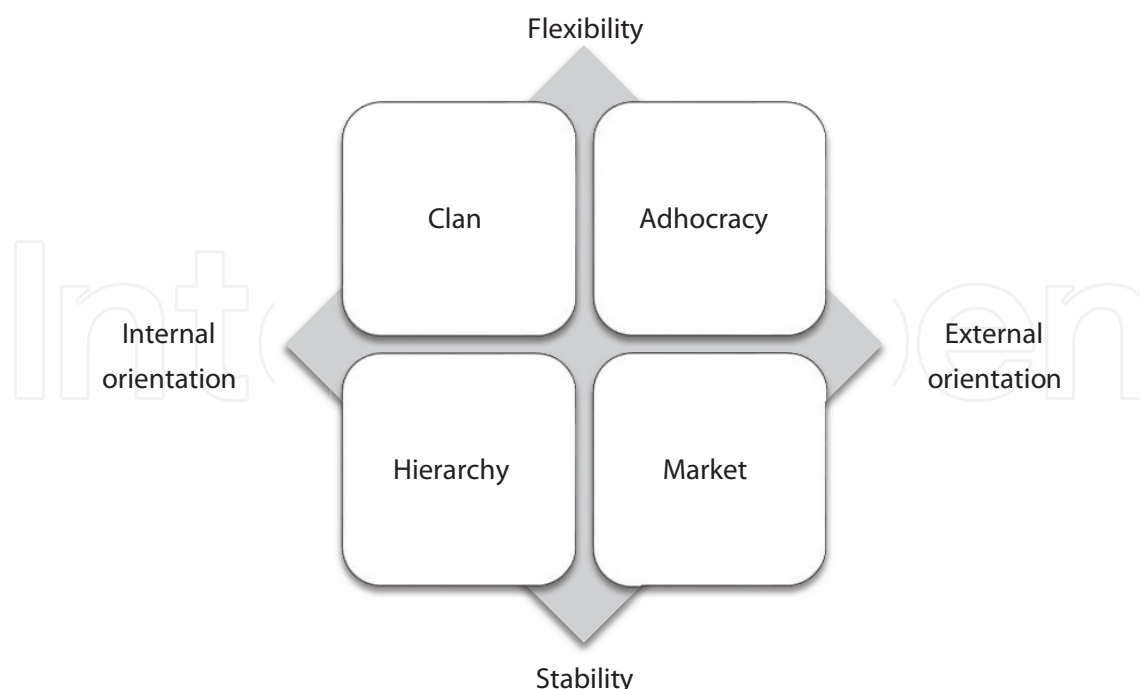
## 2. Theoretical basis of corporate culture

The concept of corporate culture in the management has been examined since the mid-80s of the twentieth century [16]. Culture is an integral part of every enterprise. It is quite difficult to learn how to benefit from it because it evolves over time. It takes a considerable part in achieving the objectives and the development of the enterprise itself.

Corporate culture is perceived through the basic values, opinions, and assumptions, which exist within an organization [14]. The corporate culture has never been precisely formulated, but it determines the behavior and actions of people and ways of their performing at work [17]. It is an intricate system of objectives, goals, aspirations, ideas, rules, beliefs, attitudes, values, norms, symbols, beliefs, customs, traditions, and material conditions of the enterprise

[18] or a set of fundamental and critical ideas, values and norms of behavior that are well-established and accepted as generally valid [19]. Corporate culture is the result of interaction between managers and other employees. It gives them the opportunity to justify their conduct in relation to the preferred values in an enterprise. It affects the way of integration in the enterprise, i.e., the way how the new employee is adapted to the business processes or how he/she looks at his/her duties development and self-improvement. The private sector and the public administration seek to recruit the right employees with the required qualifications when needed. At the same time, they seek an employee who meets the requirements of the job, the organizational culture and the group in which the employee will work [20]. It is important to support employees in accepting the same values, beliefs, and goals [21]. Corporate culture affects the implementation of the strategy in an enterprise. If the deep-seated culture supports openness and flexibility, then the strategic objectives are very likely to be achieved. On the other hand, success in enforcing strategic plans without changing the culture is very unlikely. The ways of adaptation to change that result from corporate culture are much faster than those forcibly established by enterprise management.

Many authors [3–5, 22, 23] have developed different typologies of corporate culture. We are most inclined to the typology, based on the competing values framework, because it has proven to be a helpful framework for assessing and profiling the dominant cultures of organizations because it helps individuals to identify the underlying cultural dynamics that exist in their organizations [24]. It describes four types of corporate culture—clan, adhocracy, market, and hierarchy. The competing values are flexibility/stability and internal/external orientation (**Figure 1**).



**Figure 1.** Types of corporate culture.

Enterprise with a clan culture is characterized by flexibility and internal orientation. A clan culture represents a friendly workplace, where people share the same values. Management is friendly to customers and employees and often creates a sense of family environment. The leaders take on the roles of teachers, advisors, and sometimes also parents. Loyalty and traditions consolidate such an organization [14]. Clan culture has high morale and its members are satisfied with the current situation in the company.

Adhocracy culture is characterized by a dynamic, entrepreneurial, and creative workplace. People stick their necks out and take risks. Effective leadership is visionary, innovative, and risk-oriented. The glue that holds the organization together is commitment to experimentation and innovation. The emphasis is on being at the leading edge of new knowledge, products, and services. Readiness for change and meeting new challenges are important. The organization's long-term emphasis is on rapid growth and on acquiring new resources [25]. Employees can easily handle different situations and react flexibly to the market needs. Changes in organizational structure are common and accepted.

Market culture is typical for a result-oriented organization, where the people are competitive and goal oriented. The leaders are ambitious competitors and expect high performances from their employees. The focus on victory integrates the enterprise. Over the long term, attention is paid to competition and the achievement of excessive goals [14]. Measuring the value of human capital, measurement, and management of its effective use is a basic idea on which enterprises should build their performance and competitiveness [26].

Hierarchy culture is internally oriented; it emphasizes centralized control and management. It is characterized as a formalized and structured place to work. Procedures and well-defined processes govern what people do. Effective leaders are good coordinators, organizers, and efficiency experts. Maintaining a smooth-running organization is important. The long-term concerns of the organization are stability, predictability, and efficiency. Formal rules and policies hold the organization together. Enterprise or institution with such a culture responds effectively and efficiently in familiar situations. On the other hand, coping with change can be a problem [24].

### 3. Data and methodology

Diagnosing is one of the ways that helps managers and owners to identify the current state of corporate culture, to describe its elements, to identify the causes of existing problems in the workplace and to take the necessary steps for possible change. Organizational Culture Assessment Instrument (OCAI) was used for diagnosing the types of corporate culture in the surveyed enterprises. It is based on the competing values framework (CVF), which arose from research focused on the most important indicators affecting enterprise efficiency. The output of the research was a list of 39 indicators by which to measure enterprise effectiveness [5].

In the first part of the investigation, respondents were asked to diagnose the type of corporate culture—clan, adhocracy, market, and hierarchy. Each of these cultures differs from the others in six criteria such as overall characteristics of enterprise, leadership, employee

management, corporate cohesion, strategic focus and criteria of success. Respondents, who participated in the survey, were asked to divide a total of 100 points between the options A–D according to the situation of their enterprise. Each option represents certain type of corporate culture (A, clan; B, adhocracy; C, market; D, hierarchy). Afterwards, arithmetic mean was used to identify the types of culture dominant in certain enterprises. The survey took place in years 2014–2016.

The second part of the questionnaire consisted of 18 closed questions. Their aim was to assess the level of HRD in the enterprises. They were formulated to determine what tools of HRD do enterprises use. For every answer, 0–3 points were assigned. The maximum possible score was 54. To assess the rate of human resource development in the enterprise, the scale in **Table 1** was used.

| Points | HRD rate  |
|--------|-----------|
| >43    | Very high |
| 33–43  | High      |
| 22–32  | Medium    |
| 11–22  | Low       |
| <11    | Very low  |

**Table 1.** The scale of HRD score.

Summing the values for each option A–D in all six criteria determined the type of corporate culture in the enterprise. For the needs of the summary statement, the calculation was created. The calculation determined the position of gravity's center, which showed us the type of culture whose elements are predominant in surveyed enterprise. SinceOCAI divides the types of corporate culture by two dimensions (internal/external orientation and flexibility/ stability), this principle was the base for the calculation. To calculate the  $x$ -coordinate of C point (culture), we calculated the arithmetic average of the average values of the cultures with external orientation and subtracted the arithmetic average of the average values of the cultures with the internal orientation, divided by two (Eq. (1)):

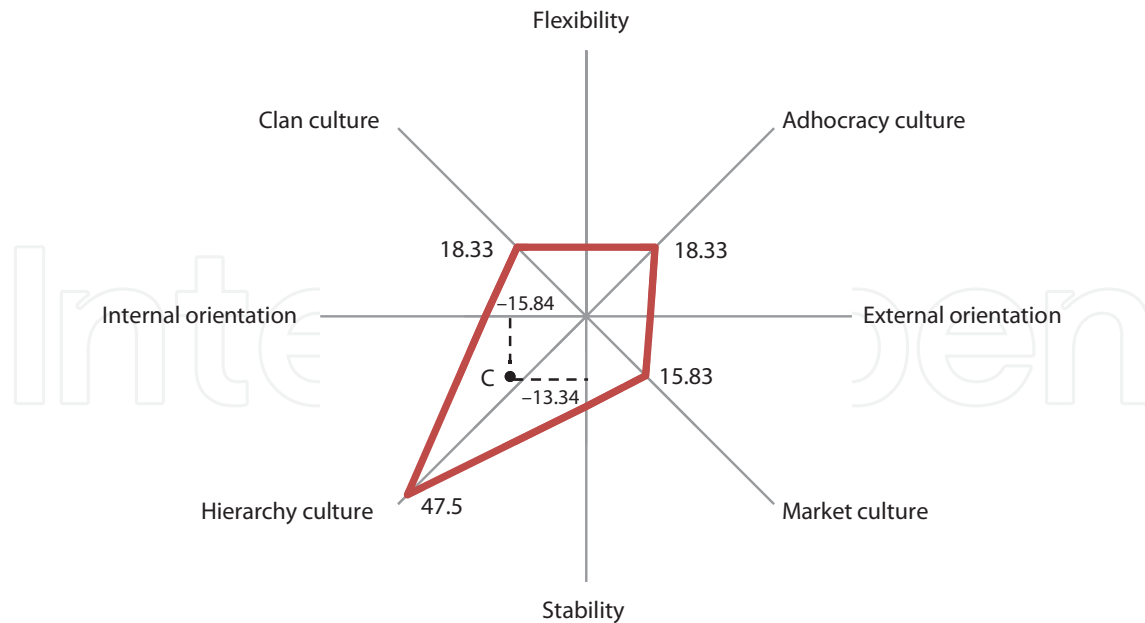
$$X = \frac{(\overline{Adhocracy} + \overline{Market}) - (\overline{Clan} + \overline{Hierarchy})}{2} = \frac{(\overline{B} + \overline{C}) - (\overline{A} + \overline{D})}{2} \quad (1)$$

For the calculation of the  $y$ -coordinates of C point, we calculated the arithmetic average of the average values of flexible cultures and subtracted the arithmetic average of the average values of the stable cultures divided by two (Eq. (2)):

$$Y = \frac{(\overline{Clan} + \overline{Adhocracy}) - (\overline{Market} + \overline{Hierarchy})}{2} = \frac{(\overline{A} + \overline{B}) - (\overline{C} + \overline{D})}{2} \quad (2)$$

Location of C point in one of four quadrants determines the predominant type of corporate culture in the examined enterprise. There is an example shown in **Figure 2**.

In the second phase of the examination, we used another questionnaire to identify the need to change the corporate culture in enterprises and their awareness of corporate culture change



**Figure 2.** Example of a graphical representation of the predominant type of corporate culture.

management toward human resources development. The second questionnaire was filled in by 68 enterprises (all of them participated in the first part as well). They answered the following questions:

1. What do you think is the main focus of enterprises in HRD?
2. Is there any correlation between corporate culture and HRD?
3. Which elements of corporate culture influence HRD the most?
4. What are the other criteria for high rate of HRD?
5. What is your opinion on managing the change of corporate culture? Is it possible to prepare the environment for the adoption and change management?
6. What are the prerequisites for a successful change of corporate culture?
7. What process of changing the corporate culture would you recommend?
8. What do you think are the pitfalls of change of corporate culture?

## 4. Results and discussion

A total of 2500 medium-sized (50–249 employees) and large enterprises (over 249 employees) were addressed out of which 304 enterprises actively participated in the research. According to the Statistical Office of the Slovak Republic,<sup>1</sup> there were 4112 medium and 751 big enterprises

<sup>1</sup>Slovstat database.

in business in years 2014–2015. The research sample covers 6.25% of the Slovak enterprises in the observed period. We have statistically verified the representativeness of the sample according to the enterprises' regional locations and their sizes at the 95% confidence level. The numbers of examined enterprises are in **Table 2**, and a map of Slovak regions can be found in Appendix (**Figure 7**).

Real and expected frequencies of the enterprises in the research sample by regional venue are in **Table 3**. According to the results ( $p\text{-value} > \alpha$ ), we can accept the assumption that sample is representative at the 95% confidence level. Distribution of enterprises by venue in the research sample corresponds to the Statistics Office data.

The second observed factor was the size of the enterprise (**Table 4**). Once again  $p\text{-value} > \alpha$  means that we can accept the assumption that sample is representative at the 95% confidence level. Distribution of enterprises by size in the research sample corresponds to the Statistics Office data.

| Slovak region   | Big enterprise | Medium enterprise | Total |
|-----------------|----------------|-------------------|-------|
| Bratislava      | 15             | 79                | 94    |
| Trnava          | 5              | 15                | 20    |
| Trenčín         | 11             | 23                | 34    |
| Nitra           | 9              | 24                | 33    |
| Žilina          | 5              | 24                | 29    |
| Banská Bystrica | 6              | 32                | 38    |
| Prešov          | 3              | 32                | 35    |
| Košice          | 4              | 17                | 21    |
| Total           | 58             | 246               | 304   |

**Table 2.** The numbers of examined enterprises.

| Region          | Observed N | Expected N | Residual | Test statistics |                     |
|-----------------|------------|------------|----------|-----------------|---------------------|
| Bratislava      | 94         | 88.2       | 5.8      | Chi-Square      | 12.315 <sup>a</sup> |
| Trnava          | 20         | 29.1       | −9.1     | df              | 7                   |
| Trenčín         | 34         | 32.9       | 1.1      | Asymp. Sig.     | 0.091               |
| Nitra           | 33         | 35.5       | −2.5     |                 |                     |
| Žilina          | 29         | 36.4       | −7.4     |                 |                     |
| Banská Bystrica | 38         | 26.1       | 11.9     |                 |                     |
| Prešov          | 35         | 29.6       | 5.4      |                 |                     |
| Košice          | 21         | 26.2       | −5.2     |                 |                     |
| Total           | 304        |            |          |                 |                     |

**Table 3.** Real and expected frequencies of the enterprises in the research sample by regional venue.

| Size   | Observed N | Expected N | Residual | Test statistics |                    |
|--------|------------|------------|----------|-----------------|--------------------|
| Medium | 246        | 257.1      | -11.1    | Chi-Square      | 3.077 <sup>a</sup> |
| Big    | 58         | 46.9       | 11.1     | df              | 1                  |
| Total  | 304        |            |          | Asymp. Sig.     | 0.079              |

**Table 4.** Real and expected frequencies of the enterprises in the research sample by size.

One of the results of the examination is finding that in majority of enterprises hierarchy (35.53%) and clan culture (33.22%) are predominant (**Table 5**). Common values of both types are internal orientation, morals, and rules. The reason for such orientation can be sought in the way of thinking of people; employees perceive their task toward the outside world as totally given, based on the idea that business ethics and honesty matters most and that they know best what is good for the customer and the world at large. In the hierarchy culture the fear of uncertainty, as well as established methods and techniques are essential and necessary to reach the goals. On the other hand, clan culture promotes flexibility, which is essential to change mindsets of people and provides more space for human development and mutual cooperation. The scores of enterprises with different types of corporate culture are provided in **Table 6**.

The results of ANOVA and multiple comparisons (**Table 7**) show that the rate of HRD in enterprises depends on the type of corporate culture. This means that there is statistically significant difference between the level of HRD in enterprises with clan, adhocracy, market, and hierarchical culture. However, there is no statistically significant difference between the market and the hierarchy culture; therefore, we assume that the two types of culture are characterized by the same level of HRD. Nevertheless, we observed a significant difference between flexible and stable oriented cultures.

| Culture   | Total |       | No. of companies |       |       |       |         |       |
|-----------|-------|-------|------------------|-------|-------|-------|---------|-------|
|           |       |       | Management       |       |       |       |         |       |
|           | No.   | %     | Slovak           |       | Mixed |       | Foreign |       |
|           |       |       | No.              | %     | No.   | %     | No.     | %     |
| Clan      | 101   | 33.22 | 47               | 29.94 | 42    | 38.53 | 12      | 31.58 |
| Adhocracy | 36    | 11.84 | 20               | 12.74 | 10    | 9.17  | 6       | 15.79 |
| Market    | 59    | 19.41 | 19               | 12.10 | 31    | 28.44 | 9       | 23.68 |
| Hierarchy | 108   | 35.53 | 71               | 45.22 | 26    | 23.85 | 11      | 28.95 |
| Total     | 304   | 100   | 157              | 100   | 109   | 100   | 38      | 100   |

**Table 5.** Corporate culture types in examined enterprises.

| Culture   | Rate of HRD |     |        |      |           |       |       |      |      |
|-----------|-------------|-----|--------|------|-----------|-------|-------|------|------|
|           | Very low    | Low | Medium | High | Very high | Total | Avg.  | Med. | Mod. |
| Clan      | 0           | 2   | 29     | 62   | 8         | 101   | 35.44 | 40   | 36   |
| Adhocracy | 0           | 0   | 20     | 15   | 1         | 36    | 31.44 | 34   | 32   |
| Market    | 0           | 16  | 31     | 12   | 0         | 59    | 26.00 | 22   | 25   |
| Hierarchy | 3           | 35  | 52     | 18   | 0         | 108   | 24.48 | 30   | 25   |
| Total     | 3           | 53  | 132    | 107  | 9         | 304   | 29.24 | 34   | 30   |

**Table 6.** Level of HRD in examined enterprises.

| ANOVA          |  | Sum of squares | df  | Mean square | F      | Sig.  |
|----------------|--|----------------|-----|-------------|--------|-------|
| Between Groups |  | 7116.787       | 3   | 2372.262    | 49.640 | 0.000 |
| Within Groups  |  | 14,336.684     | 300 | 47.789      |        |       |
| Total          |  | 21,453.470     | 303 |             |        |       |

| Multiple comparisons (I)<br>Culture |           | Mean difference | Std. error | Sig.  | 95% confidence interval |             |
|-------------------------------------|-----------|-----------------|------------|-------|-------------------------|-------------|
|                                     |           |                 |            |       | Lower Bound             | Upper Bound |
| Clan                                | Adhocracy | 3.99120*        | 1.34188    | 0.017 | 0.5245                  | 7.4579      |
|                                     | Market    | 9.43564*        | 1.13276    | 0.000 | 6.5092                  | 12.3621     |
|                                     | Hierarchy | 10.95416*       | 0.95690    | 0.000 | 8.4820                  | 13.4263     |
| Adhocracy                           | Clan      | -3.99120*       | 1.34188    | 0.017 | -7.4579                 | -0.5245     |
|                                     | Market    | 5.44444*        | 1.46200    | 0.001 | 1.6674                  | 9.2215      |
|                                     | Hierarchy | 6.96296*        | 1.33040    | 0.000 | 3.5259                  | 10.4000     |
| Market                              | Clan      | -9.43564*       | 1.13276    | 0.000 | -12.3621                | -6.5092     |
|                                     | Adhocracy | -5.44444*       | 1.46200    | 0.001 | -9.2215                 | -1.6674     |
|                                     | Hierarchy | 1.51852         | 1.11914    | 0.527 | -1.3728                 | 4.4098      |
| Hierarchy                           | Clan      | -10.95416*      | 0.95690    | 0.000 | -13.4263                | -8.4820     |
|                                     | Adhocracy | -6.96296*       | 1.33040    | 0.000 | -10.4000                | -3.5259     |
|                                     | Market    | -1.51852        | 1.11914    | 0.527 | -4.4098                 | 1.3728      |

**Table 7.** Results of ANOVA testing and multiple comparisons.

The purpose of the corporate culture change is to adjust employees' behavior that leads to good results, smoother running of business processes, higher satisfaction and loyalty of employees. The basic prerequisite for changes in corporate culture is to recognize the reason why the existing culture does not meet the expectations in all the areas. The process of

change is unique in every enterprise, because it depends on the current situation. The essence of change is the movement from the starting (current) point to the target (desired) state. Managers of the enterprise play the main role in this process. Based on the responses from the second questionnaire, we have compiled a model of corporate culture change. The process of changing the corporate culture is divided into three phases. The first phase involves identifying the current state of corporate culture, creating the objectives, values, and standards for employees to adopt. We kept in mind the main purpose that the new corporate culture should become more suitable for HRD. Each type of corporate culture has its advantages and justifications, but the support of HRD is different. If current state of corporate culture meets the needs and expectations of managers, they should not interfere in the recognized values or modify existing standards of behavior. But, on the other hand, if HRD is hampered by the corporate culture, then the enterprise is in the first phase of the corporate culture change (**Figure 3**).

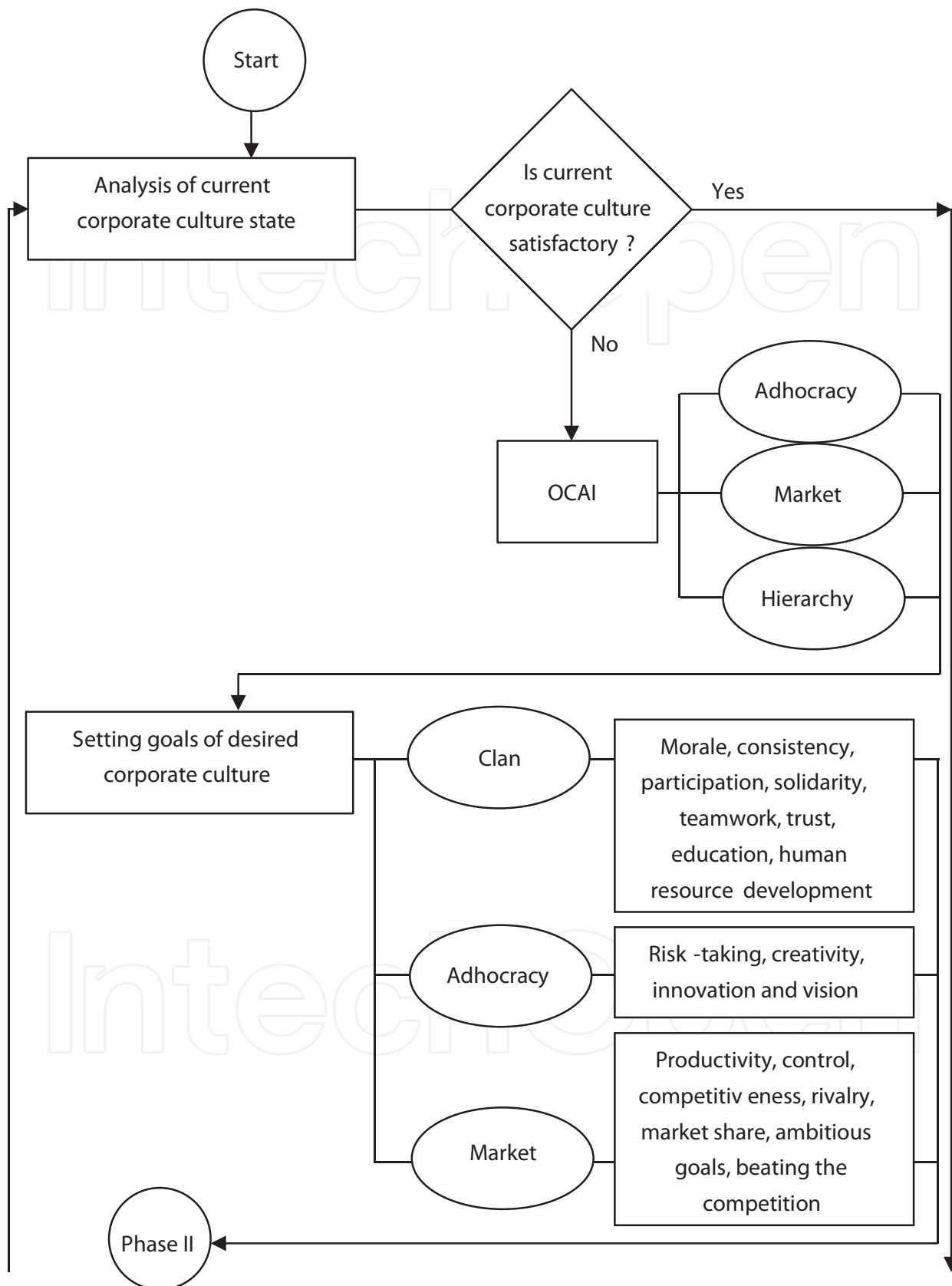
Based on the results of the research, there are several possible directions of “moving” the corporate culture to become more supportive towards HRD (**Figure 4**). It is important to realize that with the corporate culture change also the change of at least one value (stability → flexibility or internal orientation → external orientation) is needed.

The enterprises with dominant hierarchical culture can change in three directions—toward clan, adhocracy, or market culture. The change toward clan culture requires a transition from stability to flexibility. It includes innovation, openness to change, teamwork, employee development, and creative working environment. Delegation of powers to employees and encouraging them into participation, loyalty, and identification with the enterprise are the main duties for managers and leaders. Participation on the tasks, loyalty, and trust should be established. Internal orientation is not a problem in this case.

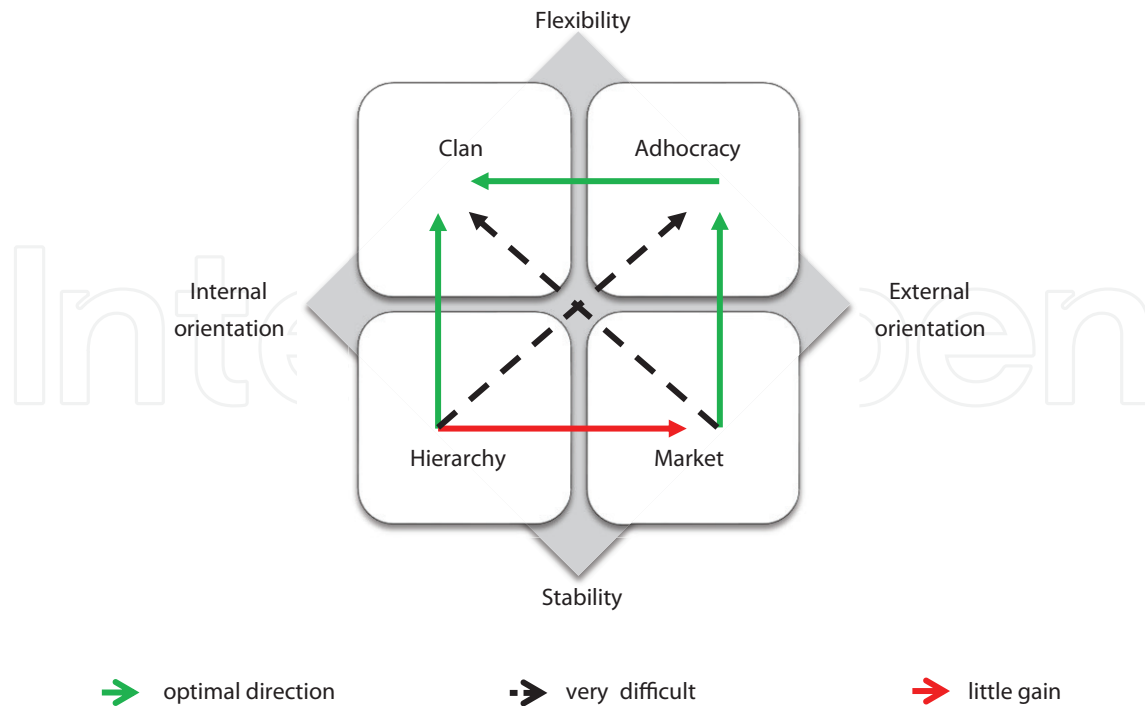
The change toward adhocracy culture requires a radical turn in the established behaviors, communication, and assessment of values and standards. The philosophy of this culture differs diametrically compared with the original one. Change is acceptable only if the existing corporate culture is a significant barrier to the achievement of enterprise objectives.

Changing to a market culture retains a sense of stability and security, but it requires an external orientation. Actions based on market principles are expected. The enterprise should become primarily focused on the transaction with external business partners, customers, associations, and other enterprises. Due to the few statistically significant differences between the market and hierarchical culture in HRD, we do not consider such a change to be beneficial.

The enterprises with dominant market culture may opt for a clan or adhocracy culture. Either way they have to cope with the loss of some stability, which we consider to be the reason for insufficient level of HRD. Based on the research results, we recommend the adhocracy culture because it allows enterprises to maintain their external orientation. Maintaining at least one of the original values means that the changes do not affect all



**Figure 3.** The first phase of the corporate culture change that supports the HRD.



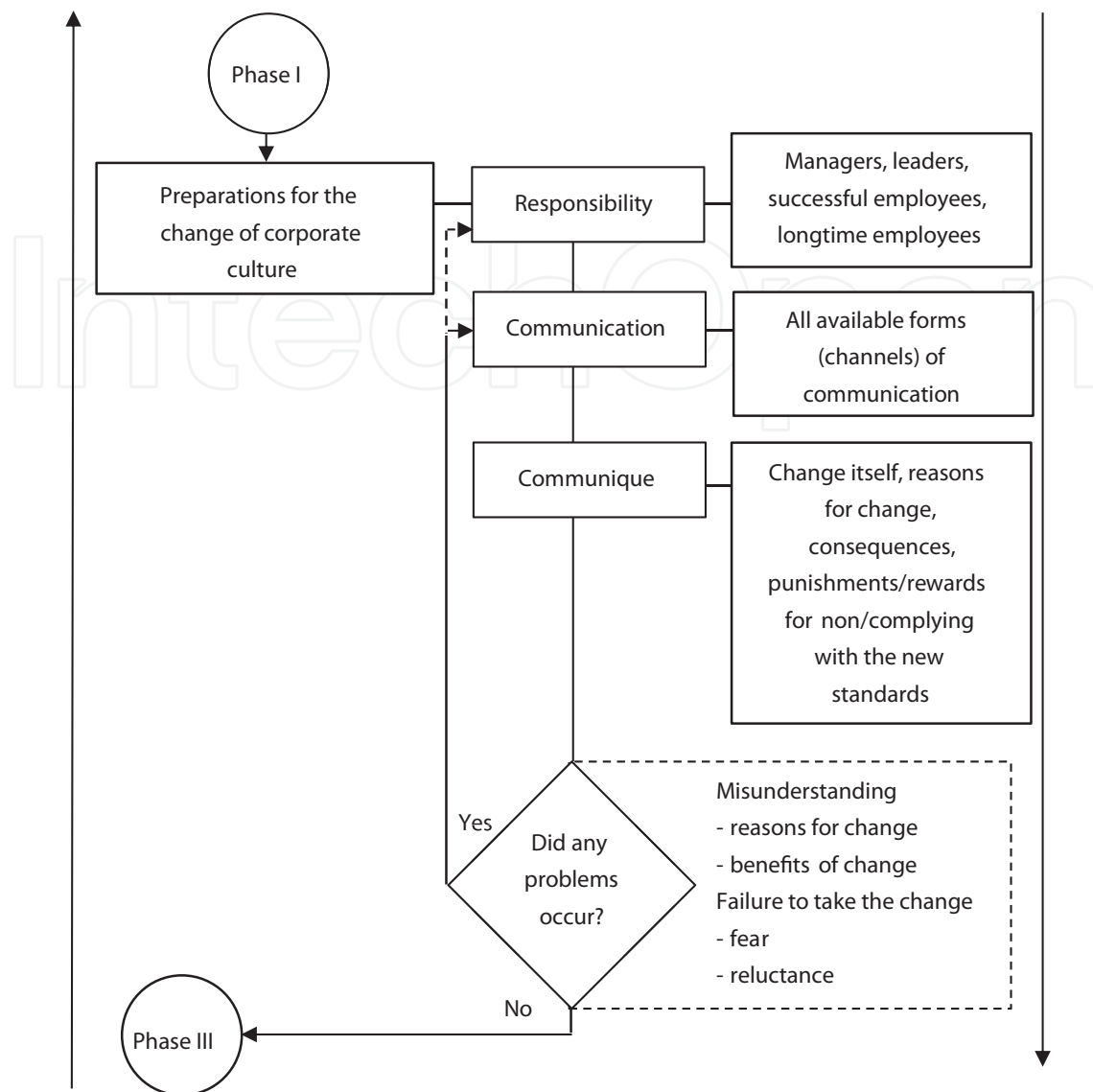
**Figure 4.** Possible directions of changing the corporate culture.

norms, values, and behaviors. But all the greater emphasis should be placed on enterprises' transition to flexibility.

There is only one option for enterprises with adhocracy culture to increase their level of HRD. They should try to adopt elements of clan corporate culture. This involves adjusting their values more internally while maintaining actual degree of flexibility.

After the choice of future type of corporate culture, the enterprise enters the second phase of change (**Figure 5**). This phase is important for the preparation of implementation. The decision on the content of communication with employees is a part of the preparation phase. People are usually afraid of new and unknown situations, cases that put high pressure on them and conditions that represent a certain diversion from the established zones. Changing corporate culture assumes an entirely new perception of ordinary things and situations. The information about the anticipated effects of the planned changes will be used in selecting the appropriate method of communication that fully reveals the particularly positive and negative consequences in an acceptable form. The movement toward the corporate culture with a greater emphasis on HRD has a positive impact from the employees' perspective. Nevertheless, some negatives may arise during the implementation process. If negative reactions occur, employees are not ready yet and the enterprise cannot continue to the next phase. The chosen ways of influencing and communicating need to be reevaluated and new effective actions must be taken.

A successful communication means that employees understand the causes of change and have identified themselves with it. That result in a favorable climate for the implementation



**Figure 5.** The second phase of the corporate culture change that supports the HRD.

of changes and the enterprise continues to the third phase (**Figure 6**), where the right tactics must be chosen. Finding several possible options that can be compared to each other is optimal. For designing such options, we recommend using creative methods like brainstorming, brain writing, synectics, or Delphi method. While generating options, the criteria and methods of their choice are also proposed.

Finishing the selection and successful implementation of selected alternative do not end the process of change yet. The final step is to compare the results of change with the objectives and to evaluate the feedback from all involved parts. This step requires reanswering the very first question, whether the current corporate culture meets the requirements of enterprise management and thus return to the first stage of the process of change is necessary. Only if the corporate culture matches the desired state, the process is completed.

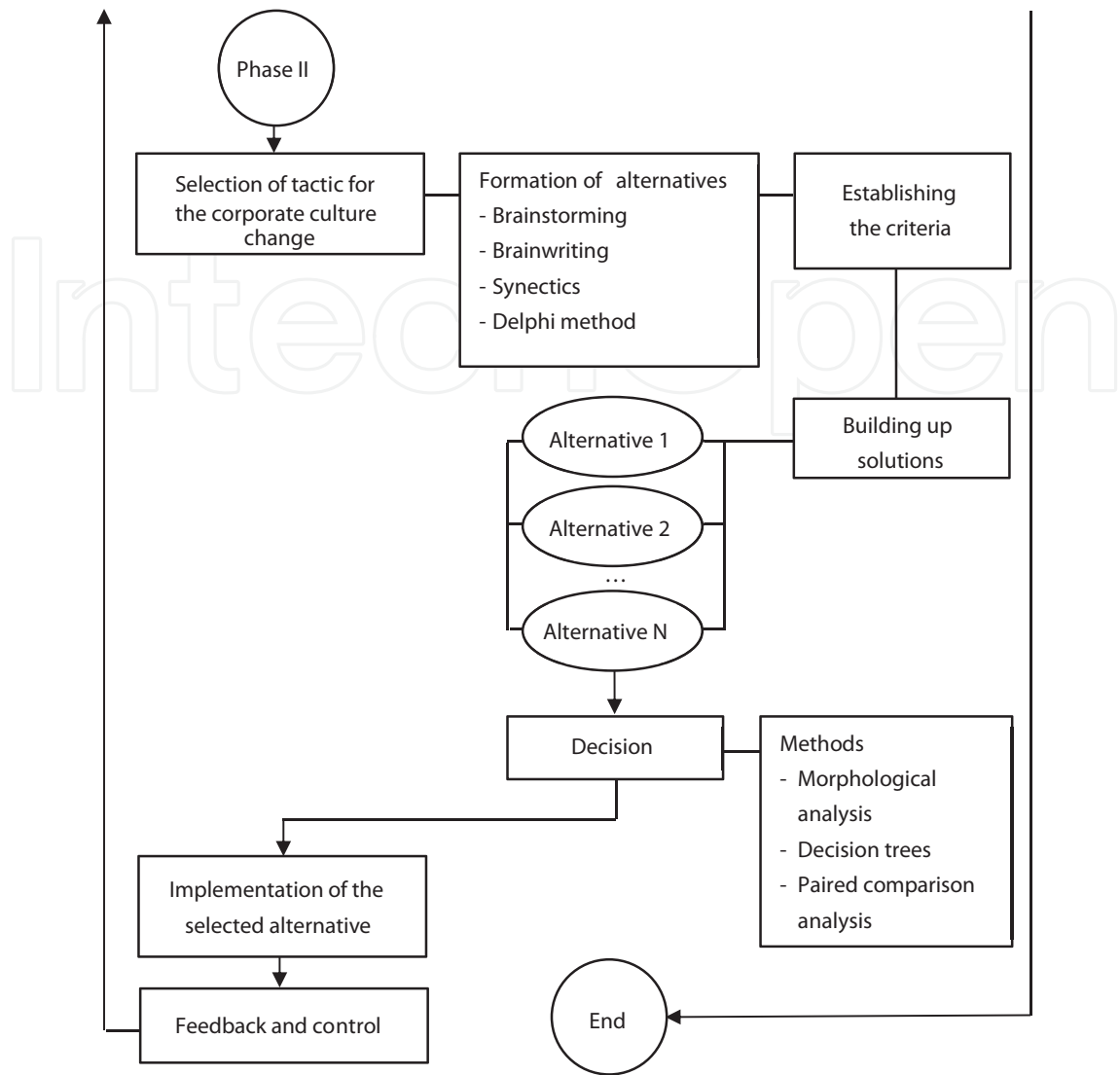


Figure 6. The third phase of the corporate culture change that supports the HRD.

## 5. Conclusion

It is necessary to focus on the human resources in the management of the innovation processes, because they are the most important resource. They are holders of the skills, experiences, knowledge, and abilities [27]. However, the process of diagnosing the corporate culture is neglected in Slovakia. Therefore, the aim of this chapter was to diagnose the types of existing corporate culture in Slovak enterprises and to propose a methodical procedure of corporate culture change supporting the HRD.

For identifying the type of corporate culture, a typology based on competing values framework [5] was used as well as the OCAI tool. Thus, we were able to subdivide corporate cultures of Slovak enterprises according to the competing values flexibility/stability and internal/external orientation, respectively. As a result, we found out that over a third of Slovak

enterprises are characterized by hierarchical culture that supports the HRD the least. But much more interesting is finding that there are internally oriented corporate cultures in a vast majority of Slovak enterprises.

Using mathematical and statistical methods, we have shown a strong relationship between the type of corporate culture and the level of HRD in these enterprises. The highest scores were recorded in companies with clan culture followed by adhocracy culture. We were unable to demonstrate a statistically significant difference between the level of human resource development in companies with market and hierarchical corporate culture. However, their level was significantly lower than in the first two mentioned types. Thus, we were able to demonstrate statistically significant differences between flexible and stable types with much higher level of HRD in enterprises whose culture was oriented flexibly.

Based on the mentioned findings, we defined the direction of possible change of corporate culture toward the better HRD and additionally we recommended a methodological procedure for corporate culture changes. This procedure was divided into three consecutive phases. By using it, enterprises can achieve a change in company culture to the one that supports the development of human resources more than their current corporate culture. We took into account the potential risks that are associated with any attempt to change. However, we must admit that managing people, especially the corporate culture, is very specific area to have one universal approach. Our procedure is just a recommended structure of possible steps and we understand that every enterprise can have its specific peculiarities. That stems from the fact that not only each enterprise sets different goals, but there are also different people as well as their opinions, goals, aspirations, and desires are different.

## Appendix



**Figure 7.** Map of Slovak regions.

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