

Organizational behaviour and cultural issues in nowadays environment

Author: Gabriel Săpunaru

Abstract

The current material assesses the problematic of organization's capacity to socialize individuals within a more general concept than that of personal interest, in the context of neoliberal approach in economy and the recent financial crisis (2008).

*The idea of this approach took off by looking at two facets of reality: the theoretical understanding of behaviour in organizations (Mullins) and the day-to-day observation of what is today commonly desired by individuals in terms of success. The problematic, in the manner we conceive it, is layered in between these two approaches – what organizational behaviour should be and what it is or what it can be. Stressing that many of the current problems come from the inability to walk on a middle ground here, we critically analyse both organizations and individuals within their norms and objectives, reaching to contemporary **cultural** problems such as 'the faceless manager', the economic downturn, the social upheavals, youth unemployment and even the economic crisis, in general.*

Introduction

Motto

"I do not know how I could have earned in a middle-management job as much as I won on the Stock Exchange." (A Romanian investor, Florin Gavrilă, in Ziarul Financiar, 2011)

In order to properly analyze the theme of this material it would be necessary to elaborate on the fabric of economy nowadays together with the contemporary 'philosophy of being' – i.e. to understand the basis of living, in general, and the means to do so. But before this, we should clarify the manner we operate with the concept of **organizational behaviour** and what is the relevance of being, for example.

The term organizational behaviour is nicely conceptualized by Laurie J. Mullins in the elaborated book, *Management and Organizational Behaviour*, stressing the concept of efficiency, both in terms of organizations and individuals. Therefore, it states that:

"Behavioural science attempts to structure organizations in order to secure the optimum working environment. It is concerned with reconciling the needs of the

organization for the contribution of maximum productivity, with the needs of individuals and the realization of their potential.” (Mullins 2004, p.19)

We have here the presence of the following terms stressing *efficiency* that is a customary component of *management*: ‘optimum’, ‘maximum’, ‘potential’. These terms are attributed both to organizations – maximum productivity, as well as to individuals – realization of their potential, and to the confluence of the two – optimum working environment. It is therefore, a need for attaining the most it is possible and in order to do so the primary necessity is the working environment. Our opinion is rather different, not trying to overshadow the Mullins approach, but we consider the first advocate of mutual success is *general consensus* between parts. Consensus is the binder that allows for general action or for a properly managed action. Consensus is not the imposing of will of the powerful upon the powerless – organizations dictate to individuals ‘do this’ or ‘do that’ – but it represents a state of reconciliation of objectives.

In this context, the problem of being is of essence, given that the existence of organizations or individuals are required to have the opening of one towards the other, while having itself an own universe (see Heidegger 2003).

Being

The question of being involves here two aspects: that of organizations and that of individuals.

The modern economic environment, as it is understood with modern capitalism (Weber), states that every organization is oriented towards profit. That is the ultimate goal. Now, this economic ethos has reached to individuals as well, giving them the same objective – that transformed economic action in money or profit acquisition. The problem here resides in two subcategories:

- a. money is a universal instrument of acquisition that implies no end but the continuous return to accumulation,
- b. both organizations and individuals having the objective of making more and more profit, at a moment in time, their objectives will clash provoking tensions between the two.

This latter aspect is what we consider to be the most important problem within the current economy, as seen from an organizational behaviour point of view.

Problematic

As soon as the economic paradigm reached to more than *households*¹, it immediately left the family behind, in terms of main economic category, and it replaced it with organizations and private interests. While in the first case private interest was the same with the community's needs in the so-called autarchic economy, the second faced lots of oppositions in terms of objectives or ultimate purpose of actions. Therefore, in the modern economy, organizations took the family function of medieval economy² – i.e., as Mullins puts it, to reconcile the needs of individuals within the needs of the organization. What is the measure in which organizations nowadays are still capable of doing so?, here is the question of this material.

Our opinion is that problems of functionality in the economic environment derive from this theme. How else can we conceptualize the downturn in managers' abilities, charisma and leadership that lead *The Economist* to name them 'faceless managers'?

Although not that directly related, the youth unemployment crisis can it be repaired from within the organization ethos?

What about the economic environment, in general? Do organizations feel the need to introduce CSR (corporate social responsibility) as a complementary part of their activity?

'The cult of the faceless boss'

That is the name of the article with which *The Economist* stated its argument – nowadays business is not driven by exceptional people, but by common, "humble, self-effacing, diligent and resolute souls" (Jim Collins, *apud The Economist*, 2009). If this is the profile of the leader, **what is the profile of the company**, who is there to manage 'the internal framework of the company' or what we call organizational behaviour? Because a company driven by a 'faceless leader' is ever more likely to get stuck in day-to-day problems, due to the inability of leaders to properly manage their resources and vision. Look at BP and the disaster of oil spilling in the Gulf of Mexico that, together with the company's weak production of oil and gas in 2011, has lowered its value³ and has also affected the public perception of BP. Tony Hayward, the ex-boss of BP, is characterized by the media as a 'foot-in-the-mouth' chief executive (*The Telegraph*, February 2012), while he was accused of lawyers of 'lying' over the oil spilling in the Gulf of Mexico:

¹ For the argument demonstrating the relation between household and economy, see Săpunaru, 2011. Briefly, economy comes from the Greek term *oikonomia*, composed of *oikos* (household) and *nomos* (order, law). Actually, economy is etymologically comprehended as a household management.

² For the concept of medieval economy see Vulcănescu, 2009.

³ "Jefferies analyst Iain Reid cut his estimate for this year to \$1.20 per share, down from a previous estimate of \$1.24 per share." (CBC news, 2012)

„Lawyers argue that Mr Hayward 'at best, has a unique view of the truth', citing his congressional testimony, in which they claim he was untruthful over the scope of BP's internal investigation.” (The Telegraph, January 2012)

It takes a real and authentic figure, with a distinguished and moral view of the world, able to concentrate (organize) the company's energies in order to resolve a problem, to propose a new good vision for the business. An 'untruthful' and 'foot-in-the-mouth' chief executive is clearly not able to build upon the fabric of the business. Actually, *The Economist* argues that the new business management is relocated towards public relations:

“The best defence of these faceless bosses lies in the realm of public relations, rather than management – they are helping to defuse public anger at corporate excesses.” (The Economist, 2009)

What are public relations than the diffusion of (real) problems (in this case)? Public relations, in an ideal type situation, represent an interface between the 'engineer' (manufacturer) and the customer (user). But here it is used as a fence to protect the product's or service's lack of. In this context – of businesses that somehow need a fence between them and the society – the sector of CSR (corporate social responsibility) is put in front in order to balance the eventual social inequalities that the business produces. Actually, Adam Smith's idea of liberal economy doesn't require the CSR department, as the public interest is reached through the satisfaction of private interest. In what manner the nowadays business environment is far from Smith's idea of economy or even if Smith's liberalism has deficiencies is not the object to debate here.

We stated two more problems or effects of the problem at the beginning of this material – the youth unemployment and the social upheavals. The latter can be directly linked to the 'cult of the faceless boss' because the idea of problematic leaders isn't present only in the business sector, but also in national or supra-national forms of organizations. The European Union is the best example in this case, empowering faceless technocrats (see Ashton Kutcher, Herman van Rompuy) despite of a necessary personality. Or see the IMF's Dominique Strauss-Kahn, or the chief of IMF's mission in Romania, Jeffrey Franks who was surprised by the Romanian media with a hole in the shoe's sole, portraying his negligence and, one could argue, *lack of character*: a Romanian saying affirms that a man's worthiness is recognized by the way he appears ('Vrednicia omului se cunoaște după port'). Social upheavals and tensions in Romania are targeted towards persons, for example – against the current president, the ex-prime minister (Emil Boc) that at least *let* the society follow a downward spiral. The cult of the faceless boss was Basescu's ace in both elections for

presidency (playing the popular card), but as people saw the profound inefficiency of a leaderless society, is the faceless leader approaching its first legitimacy crisis?

Last on our present discussion list is the youth unemployment issue. Youth unemployment rate in the OECD was 14.2% in 2007, in 2011 closing to 20%, while only 4.9% of older people were unemployed in 2007 and 7.3% in 2011 (*The Economist*, 2011). The EU average for youth unemployment was 21.8%, while Romania's was 23.4% (in 2011) (*Finanțistii*, 2012).

The world just cannot revive itself, keeping its potential in a low gear. The young workforce is not only needed to work more because it needs a start in life (getting a place to stay, founding a family), but it is also the contact with tomorrow's plan. As a popular writer nowadays states – 'the job of planning tomorrow's work is a duty of today' (Lewis 2007, p.82). Organizations, leaders and nations should not forget that and put more on the shoulders of the young, but keeping track of their paths.

Conclusions

The organizational behaviour pattern was portrayed here mostly in respect to the leader component. It was the paper's argument that here we can find a dual relationship that fosters today's problems (as briefly sketched above). Meaning that both **organizations** – unable to give a sense to people's potential, keeping them either under strong bureaucratic ties or under an improper direction – as well as **individuals** (mainly as leaders or bosses, through their lack of vision and character) are responsible for the blockage of societies and economies nowadays. It surely would have been interesting to see the counterpart as well – the example of 'how to do it'. Maybe Steve Jobs could have been such a contemporary example, with his disposition to put the shoulder to work or his constant desire for innovation, put together with its strong character in dealing with Apple's businesses – especially when it came to subordinates.

Bibliography

- Heidegger, Martin 2003, *Ființă și timp*, trad. de Gabriel Liiceanu și Cătălin Cioabă, Bucharest: Humanitas
- Lewis, C.S. 2007, *Sfaturile unui diavol bătrân către unul mai tânăr*, Bucharest: Humanitas
- Mullins, Laurie J. 2004 [1985], *Management and Organizational Behaviour*, seventh edition, Prentice Hall
- *CBC News*, BP expected to see weak production before 2014, 8th February 2012, http://www.cbcnews.com/8301-505245_162-57373127/bp-expected-to-see-weak-production-before-2014/ [available February 2012]
- Cojocar, Adrian, Nu stiu cum as fi putut câștiga dintr-o slujbă de middle-management cât am câștigat pe Bursă. Chiar si cu această criză, *Ziarul Financiar*, 10th February 2011
- *Finanțistii*, Cine ii tine pe tusa pe tinerii Romaniei, 2nd February 2012
- Săpunaru, Gabriel, The US economy. A sociological analysis, *Bismun International Conference on International Relations, International Law, Security and Economy*, session 3 Economic Perspectives, October 2011
- *The Economist*, The cult of the faceless boss, 12th November 2009
- *The Economist*, Winners and losers, 10th September 2011
- *The Telegraph*, BP chief Bob Dudley out of the fire?, 4th February 2012, <http://www.telegraph.co.uk/finance/newsbysector/energy/oilandgas/9061456/BP-chief-Bob-Dudley-out-of-the-fire.html> [available February 2012]
- Vulcănescu, Mircea 2009, «*Spre un nou medievalism economic*». *Scrieri economice*, Bucharest: Compania