

THE ROLE OF GROUP WORK AND GROUP LEARNING IN THE LIGHT OF CORPORATE CULTURE IN HUNGARIAN SMES

Attila Kurucz – Irma Potháczky Rác

Abstract

Group work and group learning events have become part of everyday life in today's businesses. In addition to expanding knowledge, it is important to have the formative effects of team-building and corporate culture in such occasions. This paper analyses the group work and training practices of Hungarian SMEs in the context of corporate culture. The aim of this study is to find out how much the companies are aware of the strategic importance of this activity and how they consider it a building stone for their own corporate culture. Corporate culture plays an important role in preserving and increasing the competitiveness of the company, especially in the field of innovation, and HR. Effective linking of teamwork and learning process will be essential for enterprise performance improvement and is equally important as the basic element for corporate culture. On the basis of the resource theory, corporate culture can be a strategic resource that will only ensure success in the 21st century if it means innovation, reengineering, and learning.

Key words: corporate culture, group work, organizational development, knowledge management

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Introduction

Corporate culture includes everything that makes the cooperation of the people involved functional and marketable. This is reflected in the following quotation: 'Corporate culture is basically a type of social cohesion with visible and invisible elements' (Matkó, 2013, 8).

If an organization finds its identity, it can become the company's driving force of its success; it is useful to enforce the desired behaviour as well as the underlying values and traditions so that the members of the organization insist on them (Benyovszky, 2016). Corporate culture can affect people for instance when choosing a workplace. Consider the criteria that we must reflect on before we choose a given place. The tasks we need to perform, to what extent we

are experts in them, if we feel like tackling them, whether this opportunity will foster our career: these are all important factors. Not to mention the potential colleagues: are they young or older, what is their behaviour and attitude like. The company itself also plays a central role: its economic activity, the place it occupies in the market, its strengths and weaknesses.

It might be interesting to explore how groupwork has evolved within a company and how its role has become more significant. There are certain criteria that are essential for successful groupwork both from the employee and corporate side. It is important to be aware of the advantages and disadvantages of groupwork (Laal – Laal – Khattarmi Kermanshahi, 2012). The meaning of groupwork: several people work on a common task with the collective aim of solving it. Groupwork is a small functional unit in the organizational structure, with usually 3-10 people who work together and cooperate during performing a task. This form of work can only be successful if the group or its members are allowed to make decisions to some extent. This, however, depends on various factors: on the task itself, on the product of the company, on corporate culture and the qualities of the workers. We must quickly add that groupwork is not the sum of the individual work of separate individuals but their collective cooperation. A certain research conducted in a hospital concluded that in emergency services it is the lack of groupwork that causes the largest failure (Laal – Laal, 2012, Lám et al., 2016, Vermue – Seger – Sanfey, 2018). Problems in communication and unresolved issues result in mistakes and undesirable situations (Manser, 2009; Barrett et al., 2001, Valentine, 2018). The aim of groupwork is to raise productivity and to humanise the working environment. According to another definition groupwork is a sustainable form of work, which needs continuous improvement, as it always must adapt to the changes in the environment (Steiner, 2000, Chadwick – Raver, 2015).

The aim of cooperation, i.e. of groupwork is for the individual to perform a competent, productive and responsible job in the company. Its spreading was largely enabled by the development of technology, rapidly changing market environment, the growth of flexibility and economic integration. Due to these factors groupwork has become rife and most companies put a great emphasis on this type of work. It is an important aspect that the compilation and types of the tasks and activities should be appropriate for groupwork; the adequate professional qualities and competences of employees are also essential. This idea was based on a Japanese model. Nevertheless, it was an important statement that its application would not only result in positive experience (Dittrich et al, 2009).

In what circumstances can groupwork be successful? The appropriate abilities of workers and the adequate competences of company leaders are focal points which contribute to the delegation of responsibilities required in performing tasks and to the insurance of free decision-making during negotiations. Besides these, we must not fail to observe that the failure is inevitable if groupwork is considered as a foreign body within the company.

Groupwork obviously has its benefits and drawbacks. Why is groupwork advantageous for corporate culture? Groupwork is a solid building block in corporate culture: it demands taking responsibility, helps improve competences, and it can also make the solution of complex tasks easier. Other advantages include higher degree of responsibility, more comprehensive knowledge about company structure, and higher productivity. A disadvantage is that groupwork can bring about job rationalization, corporate hierarchy may flatten, so it is inevitable to build new career paths (Steimer, 2000, Boxall – Hutchison – Wassenaar, 2015). According to an important statement groupwork is not only a form of work organisation, but also an expression of corporate culture. Thus, the development of groupwork is closely linked to the development of corporate culture (Dittrich et al., 2009).

1 Material and method

In our paper we summarize and analyse a research conducted in 2017 from the point of view of group management. In an interview database, we look for answers to group behaviour, group management, and group work efficiency, and then we want to see the relationships that help corporate management to make the 21st century successful.

1.1 Material

There are several open questions about corporate culture, therefore this is a productive research area. In relation with our conception we want to emphasise the ideas of two researchers because we built our interviews according to them. Culture is not a ‘goal’ that we must achieve: it is formed naturally by collective behaviour. However, we can affect this behaviour that in turn will affect culture.

This article describes three steps that help leaders to indirectly influence culture:

- Communicating a vision of an ideal culture: establishing crucial forms of behaviour that will be present in the culture

- Showing how the new forms of behaviour will further the business or the company: nothing is as effective in promoting new ways of behaviour as success.
- HR processes will integrate the new culture: people are willing to do those things that are measured and rewarded. Use the desired forms of behaviour as a criterion when hiring, rewarding and developing. (This idea made it clear that culture is not just a 'soft concept': it has tangible outcomes and consequences.). (Ashkenas, 2011)

The other aspect was the corporate culture typology by Cameron and Quinn. The ideas of the authors formed an appropriate base for the evaluation and for the examination of leading and organizational behaviour. The model distinguishes organizations based on two dimensions. First, they isolate flexibility and dynamism, stability and regulation. In the second dimension we consider inner and outer orientation as two endpoints, that is to what extent inner efficiency or competitiveness is the main value for the members of the organization. These two dimensions show the distinct characteristic features of groupwork, and how people think about groupwork. During innovations and aim-oriented organizations groupwork is a central tool of innovation and realization; in regulated or supportive organizations the group becomes impersonal, the whole organization is a group where hidden sub-groups are managed centrally with strong coordination. The independence of the group will be completely different in both cases. (Cameron-Quinn, 2006)

In our research we looked for organizations that were big enough to have at least two distinct levels in their organization functionally and in managerial processes. In accordance with these a more developed coordination should be present, as well as traditions and values based on which we can draw up a living corporate culture. Most of the companies included in our research are based in Győr or in its vicinity (12); the location of the others does not follow any patterns. Two companies are based abroad. As regards industry, seven companies are active in the automotive industry, six in the food industry, four in freight and logistics, and five in some other service activities (catering, hotel industry, cleaning, labour-leasing). In addition, there are two steel companies as well as organizations dealing with agriculture, chemical industry, woodworking and trade. The age of companies is very divided. The oldest company has been working since 1913, while the youngest only since 2010. The size of companies is also varied. The largest include foreign-owned multinational corporations (there are eight of them in this research), as well as a large Hungarian-owned company that employs more than 952 employees which is higher than in many multinational companies. However, there were two multinational companies operating in Hungary as middle-sized companies. In

addition, eight medium-sized enterprises were included in the sample, owned by domestic person(s).

1.2 Method

In our research we conducted leadership interviews. We selected the sample from the close vicinity of our research institute, University of Széchenyi, that is from North-West-Hungary. We have covered three major areas in our research: 1) the message of corporate culture, 2) internal organizational arrangements, 3) the role of the leader in creating culture.

In-depth interviews conducted in 34 different companies served as a basis for the primary research. We can not disclose any details about three of the companies, so we cannot take them into consideration even in the description of the sample. Therefore, we can evaluate the answers about groupwork and group learning in 31 companies.

The interviews were conducted personally, usually with the managers, HR managers, or on rare occasions with other department managers of the company. We contacted companies with at least 50 employees: the organization is thus bigger, there are distinct leadership levels, and it is relevant to talk about corporate culture. The interviews took 30-60 minutes to complete based on a draft edited beforehand. Of course, for the sake of the fullest possible answers, the template served as a starting point for the interviews, so the leaders were able to explain their responses, or to express other, closely related thoughts.

The interviewed corporate executives were asked to describe the key features of groupwork and to show to what extent they coordinate their work. In this way, we could achieve that they introduced the local features of group work in terms of flexibility versus regulation. We also asked questions about the relationship between the leader and the group, but this is not relevant for our current paper, we refer to such answers only if they imply a significant conclusion.

2 Results

The results are grouped around three issues: 1) groupwork and its nature at the company, 2) group formation, group rules, 3) group learning modes, viable paths. In the course of the research, we have repeatedly reviewed the questions and answers of the groups so that they do not reinforce general stereotypes. Finally, there have been several responses

that may not reinforce standard practice, so we thought it might be an interesting subtopic for the conference.

2.1 Groupwork in organisations

Surprisingly, it turned out that groupwork is not at all widespread among companies. The younger and smaller companies said that they do not have groupwork, or it is present only partially in some areas. Moreover, the company does not strive to generate groupwork. The executives had scope of duties on their mind and they did not attempt to create space for groupwork in the working process. It could be observed at these companies that the leaders could hardly answer questions about partner relationships because they did not have any information about these areas. This informational asymmetry is the result of their lack of opportunity to observe the work of employees in different areas.

The few company executives from the second area claimed that groupwork is only present in production where colleagues work together. We cannot evaluate its quality, but it turned out from the answers of the executive that he has almost exclusive influence on everyday business management: in practice he does not let others interfere. They do not consult with colleagues before making a decision, or when introducing a new idea. This situation might be familiar from small businesses, but the desire of the executive for power is not always the reason. Some answers claimed that the executive considered this as their responsibility which they do not want to delegate to others: they do not want to put extra burden on their employees' shoulder – it is his/her task. In such companies the culture becomes very rigid and hardly reacts on changes in the environment, the executive hinders the learning process. In other words: the company's pace of learning is tailored to the leader's pace of learning. If we were to examine the topic from the qualification side, we could say that it is useless to spend money on qualification – because the company could not utilise its results.

2.2 Group formation and group rules

One of the keys to success is the formation of groups and the precise set-up of group rules. As culture is typically home-like in smaller companies, the group has an important role to play in solving tasks and launching ideas. Discussions of varying frequency and level effectively serve groupwork. However, for leaders to achieve their goals, they must be aware of the fact that spontaneous informal groups are rapidly formed among the employees.

It follows from the answers in the interview, which has also been confirmed by the subjects, that groupwork is effective:

- if the groups get well-defined tasks which help deepen specific areas of knowledge,
- groups get equal opportunity to present their results,
- the results and the groups are evaluated.

Group leaders have a certain decision-making opportunity and it is important to define the level at which managers are involved. This is the case with the organic development of companies, so managers have reported in six interviews that the freedom in decision-making of team leaders was high enough before, but this was somewhat reduced during the interview period.

In some companies, it was noteworthy that it is important and there is a need for groupwork, but unfortunately, due to the dispersion of workspaces, it is rather the superintendent's individual work to solve the tasks. When a new task emerges - regardless of the person's place in the body - they hear all ideas and opinions and try to use the most appropriate ones when deciding. That is, groups are formed ad hoc and are quickly laying down rules, they will not mature, but only the key elements of corporate culture can be considered as guidelines.

When summarising the results for smaller companies we have found that managers of individual organizational units, such as workshop manager, fleet commander, day-to-day coordinators are key management links in implementation, but employees also have a role to play in decision making. The manager maintains the work of the group, and, when making a concrete proposal, he looks at the resources needed for implementation.

Among the risk factors the most important was the inadequacy of workplace conditions. Balanced relationships work as a protective force for workers, but excessive workload, lack of respect, confirmation and decision-making, limitation of progress, negative workplace atmosphere aggravate the problems, which can be a big problem for a company employing fewer people. In such a case, individuals do not follow group rules.

2.3 Modalities of group learning

Based on the interviews, companies consider it important to have team building programs, trainings, and weekend programs aimed at conscious formation of culture. Of the 31 companies, 9 leaders were clearly in favour of team building events and learning

opportunities. The other leaders referred to similar occasions, although their significance was not emphasised. Good corporate atmosphere and organizational unit - from the professional side the brand of the company - were in the focus of the respondents. This tells us that cooperation and trust are at the heart of group learning. This is a very important and positive phenomenon, mainly because we are not talking about big corporations.

One of our companies highlighted very well that it is not at all certain that employees in the company all share the same values of common culture. That is why it is very important to unify, clarify and raise awareness with different trainings. 7 other companies also highlighted the importance and the existence of these trainings as tools for consciously forming culture. Furthering this idea, through team-building programs and trainings, the company increases employee engagement towards their organization, which is the basis and most important factor in developing a unified and productive culture for the organization. It is not easy to achieve employee engagement, but if this is the case for most of the employees, there can be a stable and balanced corporate culture. Multiple initiatives were also mentioned among corporate executives, such as questionnaires on satisfaction, surveys or other questionnaires on daily work and on the workplace atmosphere among employees. Six companies also highlighted the importance of timely questionnaire surveys, where employees can express their dissatisfaction or positive opinions. Not only can the company's management measure the current state, but it can also get ideas about where and what should be deliberately changed or whether to shape the culture.

In qualifications, training is mainly used by companies, but in 8 companies they strive to plan and implement developments during a separate grouping of professional conferences (workshops). They focused primarily on processes and activities. It should be noted that since we have placed groups on focus, we have not talked about individual training, obtaining professional certificates and other certifications that are sure to be present in the organizations.

Conclusion

Groups are important parts of corporate culture, in addition they are the essential building blocks of culture formation and training. Creating and managing teams is a special leadership task in our global world, so the leaders' responsibility is enormous on this issue.

The results of the interviews clearly illustrate the conditions of group work and the need for thorough preparation from the manager. The leader's responsibilities and tasks are as follows:

- creates groups,
- provides the venue and the special tools required for the job,
- clarifies and explains them for all participants,
- assesses and allocates the time frame,
- pre-assigns tasks,
- arouses interest in the problem to be solved
- overcomes resistance to group work,
- assists all members of the group to participate.

Groupwork requires unusual effort, because it necessitates other behaviors and entails some conformity. Because of its unusual nature, the need for individual participation and the autonomy of work organization, it often creates resistance in people.

For some companies, group work is often associated with many areas, but usually with developments and projects. Therefore, before tending to the tasks, it is advisable to agree on the objectives, the expected results, the timeframe and the forms of presentation in advance and jointly. This is also necessary because one of the most important expectations is that the leader does not provide assistance to any of the groups, the aim is to solve the task independently, or they address different workflows differently from the leadership style.

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Contact

Attila Kurucz

Széchenyi István University, Department of Marketing and Management

H-9026 Győr, Egyetem square 1

kurucz.attila@sze.hu

Irma Potháczky Rácz

Széchenyi István University, Department of Marketing and Management and Doctoral School of Regional and Economic Sciences

H-9026 Győr, Egyetem square 1

raczirma@sze.hu