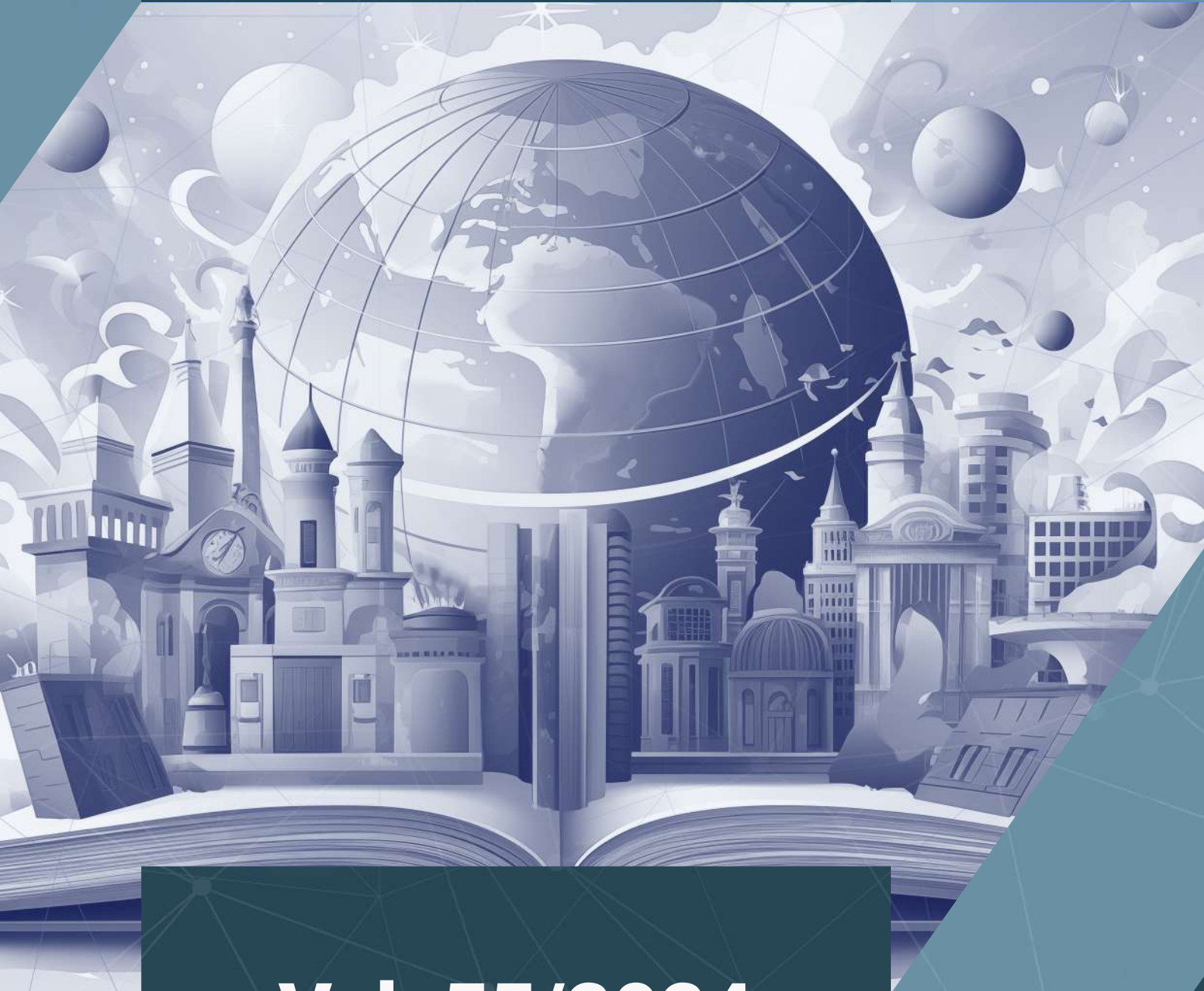




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Organizational culture and institutionalization. A theoretical framework

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Abstract. This article focused on organizational culture and institutionalization. For this purpose, first of all, general objectives are mentioned in the introduction section. Then, the definition of organizational culture and information about the concept are given. Furthermore, general expressions regarding institutionalization and the relationship between organizational culture and institutionalization mentioned.

Keywords. Organizational culture, institutionalization, information

1. Introduction

Institutional theory is primarily concerned with inter-organizational processes and assumes that the forces that shape an organization and its behaviour are largely external to the organization, whereas most of its organizational culture deals with intra-organizational processes. Shared across approaches are ideas about patterned behaviour that persist over time, and common processes and meanings that are value-based, ideational in nature, and contain clear and precise elements. Both focus on 'the creation of collective structures of meaning through social processes'. While Pedersen and Dobbin (2006) consider how organizations respond to external institutional pressures that shape culture, they do not discuss how culture is spread and maintained. In contrast, this study takes Oliver's (1992) perspective on institutionalization to explore issues of resistance to isomorphic pressures, subcultures, change, and power within organizations.

Considering how cultural norms are inculcated and maintained through isomorphic processes provides potential answers to questions such as: why do individuals conform to cultural norms? How is it transmitted, reproduced and preserved? Institutional theory may be useful for developing a more comprehensive theoretical approach to examining cultural transmission, maintenance, and reproduction. In this perspective, a significant body of empirical work already exists that can shape our understanding of organizational culture. The interplay of culture, active agency, resistance, power, and instilling change is a key example (Elsbach 2002; Erez and Gati 2004).

2. Organizational Culture

Studies on organizational culture, which have been widely used in management science since the 1980s, date back to ancient times. Some management scientists have focused on human resources in organizations and studied topics such as group norms, symbols and values since the 1930s. Katz and Kahn's (1977) studies on the social and psychological aspects of organizations, the studies of authors such as Barnard (1938) and Selznick (1957) highlighting the moral and value-related aspects of organizations. The studies of organizational theorists such as Likert, Maslow and McGregor are the first studies conducted in the context of organizational culture. However, the concept of organizational culture first entered the management literature with the articles titled "Changing the Corporate Culture" by Silverzweig and Allen (1976) and "Research on organizational cultures" by Pettigrew (1979). In the early 1980s, organizational culture became an important subject of organizational behavior and management science with studies such as Deal and Kennedy's "Common Cultures", Peters and Waterman's "Search for Perfection" and Ouchi's "Z theory" (Şişman, 2014:72-73).

The main reason for the emergence of organizational culture and the increase in research on organizational culture is the economic success of Japanese companies, Japan's emergence as an economic superpower in the late 1970s and early 1980s, American companies' beginning to lose their market shares in the face of the rapid rise of Japanese companies and their organizational changes. The cultural and symbolic aspect of life is gaining increasing importance day by day (Wilkins, 1983:24).

While Schein (2010:18) defines organizational culture as "the system of beliefs, assumptions and values shared by the members of a group, the learned results of group life, the pattern of assumptions developed by any group in the learning process in order to solve the problems of internal integration and external harmony", Hofstede (2010:6) defined it as "collectively programmed thoughts", and Robbins (2001:510) defined it as "a system of shared meaning and symbols".

While Varoğlu (2013:89) states that the common features of the definitions made about organizational culture are that it is a set of values that guide how the employees of the organization will behave and that it is based on general acceptances formed over time in the organization, Sabuncuoğlu and Tüz (2001:37) state that it is a culture that provides information about how the employees in the organization will behave. It refers to the values that are unwritten and accepted by the employees of the organization without questioning, being based on the solutions and general acceptances to the organizational existence problems that arise in the organization over time, the symbols used in the transmission and sharing of organizational values, the meanings attributed to these symbols, stories and past events.

3. Institutionalization

The institution is defined as an institution at the institute level that has a cultural structure that has been formed over time and that will not change easily, and that has a specific school of thought other than being traditional. Starting from this point, institutionalism is the process of incorporating these qualities and finally institutionalization is the process of moving towards these qualities (Yılmaz, 2010). According to another definition, it is the process of a company with some organizational and managerial deficiencies becoming an institution that minimizes these deficiencies. In other words, all processes in companies are accelerated and responsibilities are given to departments and individuals accordingly. Institutionalized companies, on the other hand, are structures that are managed with a certain workflow

systematic, where people's authority and responsibility are clear and they have the competence to perform their duties (Darman, 2009).

An institution has thoughts, beliefs, traditions and customs, includes behaviours and structures, and consists of unique symbols such as goods, documents and symbols; It is a holistic structure that is coordinated and continuous (Ozankaya, 2008). On the other hand, when considered from a sociological perspective, an institution is a collection of coordinated, organized, integrated ideas, principles of behaviour, and values that explain how the function it undertakes should be fulfilled, as well as tools, goods, and structures that enable these to be implemented, and to protect them. It is all the symbols such as flags, badges, colours and shapes that make it visible and reinforce it in the mind (Gürol, 2007).

Institutionalization movement is expressed as a set of behaviours that exist as social activity and are continuous, performed by two or more individuals in response to a common incentive. A social activity, on the other hand, is considered as a part of social reality, regardless of any external or internal individual. In an institutionalization movement, company employees are in a social structural transformation throughout their production. Since individuals know what performance they need to show, they become a reference for new people and other employees about what performance outcomes they should achieve. Businesses also provide stability because they do not depend on individuals. Therefore, the institutionalization movement can be defined as continuity (1), versatile performance (2) and existence as a social movement (3) (Goodman and Bazerman, 1979:5-6). According to another definition, it is an order in which good management systems are applied for sustainable success, the legal entity is separated from the real person or persons and functionally highlighted, and activities are carried out with a modern business and management approach. In other words, in addition to institutionalization being a process of systematization and regulation, it is essential that the philosophy of continuous improvement, teamwork and the human factor come to the fore within this system (Beşkonaklı and Solaroğlu, 2006).

Institutionalization is actually a series of processes in which existing norms, values and structure patterns are integrated with new norms, values and structures. This process facilitates both stability and predictability in social relationships and the maintenance of these relationships. Having long-term relationships has many advantages for both parties (Kimberly, 1979). For business owners and managers, institutionalization means that a business has rules, standards, and procedures independent of individuals; Establishing systems that are flexible against environmental conditions and having a flexible organizational structure; It is the process of turning unique forms of greeting, business procedures and techniques into a culture of the company, and thus acquiring an identity that differentiates and separates itself from its competitors (Karpuzoğlu, 2004). Moreover, over time, organizations harmonize their capacities and standards against external threats, and adapt their ideas and the process of spreading its values (Selznick, 1996: 271).

Institutionalization is defined as the process of implementing the guidance, management and control systems required for sustainable success. In other words, it is the application of the necessary methods and rules for success and change to occur and the business to become a system. Institutionalization means that the management of the companies is completely transferred to professionals, rather than the disposal of management, there is no dependence on individuals, instead there are rules, procedures and standards (Erkan, 2012: 59) Institutionalization, which also manifests itself as a social entity, has gained more importance with the influence of the environment. While institution can be expressed as a social order, institutionalization is the process of realizing this through rules, order and standardized

practices. The set of systems that have consistently repetitive movements, are social, are controlled, and are supported by a community of rewards and authority are called institutionalized organizations (Minareci, 2007: 20). Besides, instead of perceiving institutionalization as a system in which everything is governed by rules, it is common with the understanding of continuous improvement. Efforts and human factors need to be brought to the fore (Erkan, 2012: 59). In summary, institutionalization means the rules, beliefs, values and procedures formed or created as a result of the company's policies regarding corporate culture, the values of decision-making managers, or the pressures of institutional factors, the firm's It can be expressed as being accepted and put into practice by all employees, partners and managers in the same way, being transmitted from generation to generation, and as a result, the company has a structure independent of individuals (Tavşancı, 2009: 14-15).

The institutionalization process begins with the establishment and development of a business. However, the size and speed of this process varies from business to business. In some cases it is comprehensive and quick, while in others it is limited and slow. For this reason, the level of institutionalization varies from business to business. Businesses with a high level of institutionalization and that adapt quickly to institutionalization are superior to their competitors (Kimberly, 1979: 447). Institutionalization brings many benefits. First of all, effective use of resources becomes important in order to pay close attention to customer requests and preferences. Secondly, the formal structure minimizes the role uncertainty and stress it creates for employees. In other words, a business that has fully achieved institutionalization has clearly determined the authorities and responsibilities of its employees and a standard structure has been formed. Another benefit is that jobs can be evaluated by professionals within the framework of objective decisions. In addition to this efficiency it provides to the company, it also provides sustainability to the company as it assumes a separate identity independent of its employees. Finally, it is normal for the company to take on a more comprehensive structure by going public and to strengthen its capital structure, as well as to increase the commitment to the business as internal development and training become important (ITO, 2000: 48). The main research point of this study is whether the stated benefits are related to organizational commitment.

4. Institutional Processes of Organizational Culture

Although institutional theory treats the source of norms as external to the organization, the idea of cultural phenomena explained through institutional concepts is not entirely new (Barley and Tolbert 1997; DiMaggio and Powell 1991; Elsbach 2002). Several well-known authors have recognized the interaction between institutional theory and organizational culture. Scott (1987, 499) argues that '... institutional theory has both contributed to and benefited from the revival of interest in culture...' and '... shared concepts and symbols influence not only organizational forms and procedures but also the beliefs and behavior of individual participants. direct effect...' he stated. Individual-level action is especially common when dealing with normative pressures.

For example, DiMaggio and Powell (1983) argue that 'individuals in an organizational field undergo anticipatory socialization into shared expectations about their personal behavior, appropriate style of dress, organizational vocabulary... and standard ways of speaking, joking or addressing others. 'Dress style, personal behavior, language and communication style have been recognized as key surface elements of organizational culture (Schein, 1990). While DiMaggio and Powell (1983), Meyer and Rowan (1977), and Scott (1987) mainly focus on

intra-organizational processes, their ideas can also be applied to the intra-organizational level and organizational culture.

Other authors have looked specifically at the relationship between institutionalization and organizational culture (Batelaan 1993; Elsbach 2002; Pederson and Dobbin 1997, 2006; Zucker 1977). For example, Batelaan (1993, 28) discusses the role of social institutions in determining and proscribing individual behavior and role expectations, stating that “institutionalization can be thought of as the process that creates culture...” Pedersen and Dobbin (2006) look at the intersection between culture and institutional theory and points out that organizations copy others to achieve institutional legitimacy while trying to differentiate for cultural uniqueness. Institutional theory and cultural perspectives are interconnected in the drive for similarity and difference, through forms of imitation, transformation, hybridization, and immunization (Pedersen and Dobbin 2006). Consistent with Batelaan's claim As such, the concepts of institutionalization and culture are linked together to better understand how cultures resist and resist change, shape experiences, and instill and maintain cultural norms through processes that can be discussed in more detail through institutional theory.

Some authors link organizational culture and industry characteristics (Chatman and Jehn 1994; Pennings and Gresov 1986). If industry characteristics are institutionally driven, as institutional theory suggests, these studies imply that the macro level of institutionalization influences organizational culture. However, Chatman and Jehn (1994) suggest that rather than developing unique organizational cultures to gain competitive advantage, organizations tend to imitate cultures perceived as successful, hence the drive for similarity. These studies point to the use of institutional theory to help explain aspects of organizational culture.

Despite previous connections between industry characteristics, organizational culture, and institutional theory, no studies appear to serve as a clear bridge between the ideas from DiMaggio and Powell's (1983) three isomorphic forces to organizational culture. Our article attempts this by considering how isomorphic processes (coercive, mimetic, and normative) work to transmit, reproduce, and sustain organizational culture by drawing on different aspects of intraorganizational institutionalization.

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