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INCREASING THE LEVEL OF MANAGEMENT CULTURE IN BUSINESS ORGANIZATIONS IN THE CONTEXT OF APPLYING SOCIAL RESPONSIBILITY PRACTICE

Relevance. The starting point for embedding CSR as part of the management culture is the vision and values. But first, you need to understand what 'values' means in CSR terms. Companies spend time and effort in creating their mission, vision and values statements, but these are often only from a commercial and internal viewpoint. To achieve CSR values, managers need to take an objective external vie", identifying their various stakeholders, and the company's impacts upon them [1]. Management culture is part of an organizational culture that includes both formal and informal elements of the organizational culture. Management culture reflects the level of the organization’s managerial system development, modernity, efficiency and functionality. It depends on this level how innovations will be implemented in the organization’s management and whether they will be implemented at all, and how effectively the objectives will be solved and the aims will be implemented [2]. Summarizing the results of various research made in different countries, it becomes clear that large companies are not always inclined to coordinate their activities with stakeholders because of their institutional weakness. Research aim: assess the level of cultural and social responsibility of organisational management and discuss their links. Research methods. Analysis of scientific literature, questionnaire survey. Research results. The findings of the research carried out in other countries proved that organizations evaluate not all aspects of corporate social responsibility, and this is influenced by the lack of the employees, as one part of the stakeholders, strong institutional capacity. The quantitative research found that the administration of both groups of companies inadequately evaluate corporate social responsibility activities, there is no feedback guaranteed, there is insufficient care about the relations with employees who are one part of stakeholders, their physical environment and psychological condition. There is no effective internal audit system of social responsibility which should be developed to guarantee feedback, and corporate social responsibility has not become an inseparable part of organizational culture.

Having evaluated the weaknesses and the positive trends of management culture and social responsibility characteristics of groups of companies, it should
be stated that firstly, management culture expression has influence when aiming for corporate social responsibility; secondly, corporate social responsibility can be regarded as an integral derivative of management culture realized in organizations’ management practice. However, there are also significant differences. There were set personal managerial personnel culture and management knowledge significant amounts of estimates, associated with different approaches to other management work criteria according to which the management culture condition is diagnosed. The clearer dynamics of indicator estimates of the second group of companies leads to the conclusion that the management culture is still being formed, but without clear direction vector. Processes are not clearly focused and uncoordinated. The standards, regulations existing in the second group are not sufficiently linked to the activities practice, so they do not guarantee the optimality of processes, unlike in the first group of companies, where there is a standard peculiar management culture, although the estimates of indicators diagnosing it are not particularly high. In such a situation, the questions of investment in the modernization of management, optimization of working processes remain relevant, unresolved, but the effectiveness of their payoff remains uncertain. Human resources in management policy of both groups of companies are under-estimated; in order to create favorable conditions for their effective use, communication and the interrelationship functionality problems are acute.

Organizations (larger problems fixed in the second group of companies) are not adequately prepared to implement corporate social responsibility organization-wide, as management work is not optimally organized, the managerial personnel lacks knowledge and skills working with human resources. Even in the evaluation of formal aspects of corporate social responsibility standards implementation possibilities, the situation existing in groups of companies and organizational abilities of leaders would not allow to realize them systematically and effectively. In this case, corporate social responsibility values would remain more as a declarative form and not the organization’s management culture inseparable part, and a natural, balanced way of functioning of processes based on this philosophy. Though in the second group of companies there is clearer dynamics according to separate management culture parameters, the apparent orientation to modernization of activities shows more open to innovation, in which the elimination of drawbacks and purposeful development can serve the realization of corporate social responsibility more effectively. In both groups of companies the highlighted declarative corporate social responsibility policy trends contradict the actual practice of social responsibility in relations with the organization’s internal and external stakeholders. This partly confirms theoretical insights presented in Lithuanian scientific works, which emphasize marketing direction of corporate social responsibility as a general cultural dominant.

However, this aspect has not been developed yet in the case of the
discussed groups of companies, and the research results lead to the conclusion that organizations lack basic knowledge of corporate social responsibility and motivation to realize them in practice, and the high level of clustering and internal corruption impedes social responsibility transfer to the strategic level. The lack of development of dialogue culture between stakeholders (subjects) became apparent in management culture problem areas and can become a formidable obstacle to the implementation of both individual social responsibility initiatives and installing in complex. This is true in the sense that the organizations do not have universal support from employees, and the procedures are carried out in a superficial manner and have a formal character. Corporate social responsibility is a valuable organization's internal culture category, but this base is not strong enough and balanced. Corporate social responsibility in the activities of both groups of companies (and especially - the first) can be considered still developing and has not taken clear shapes yet. According Hoskins (2006) CSR is a means of developing a management culture. However, the fundamental CSR success factor is that it is a living management process. The strategy needs to be reviewed regularly, and implemented across business units and all CSR components. The delivery of CSR practice is a critical activity. If any of the components are weak, then they detract from the effectiveness of the other components. Like all cultural aspects, CSR is only as strong as its weakest link A CSR management system is essential for CSR to become embedded within the business culture. CSR should not be a separate central activity, but become part of the business process and practice for all business units.

References