

# Corporate Culture of Information Technology (IT) Companies and Its Impact on Organizational Agility and Management

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## ABSTRACT

The study analyzes and measures the impact of corporate culture on information technology (IT) companies, also the link between corporate culture, organizational agility and management. The main purpose of the study is to determine the impact of corporate culture on companies' performance in order to know how the corporate culture of an organization assists in enhancing organizational and managerial performance.

## Keywords

Information technology (IT), corporate culture, organizational agility, management.

## 1. INTRODUCTION

The research of corporate culture has a great and valuable role in the sphere of management studies. There are several approaches of corporate culture in different fields and in IT field organizations it also has its specific characteristics.

Sometimes, scientific researchers present information technology (IT) as a computer-based tool, which helps people during working with information and information-processing needs of companies. It also presented as a tool for storing and transmitting information in electronic form, which firms use to develop new lines of business [2]. Thanks to IT achievements companies receive information which leads to faster development, globalization corporate culture. To study and present bilateral impact of corporate culture and IT companies' management, in recent years scientists started to pay more and more attention to link between information technology and corporate culture, especially the impact of corporate culture on management in IT field companies.

The concept of the corporate culture has been examined by information systems researchers since it appears in the technological and scientific environment. Especially in the last decade, the scientific researchers in IT sphere have more focused on questions of corporate culture and organizational environment [9].

Generally, quantitative studies suppose the integration perspective and accept a managerial orientation. Unlike quantitative studies, the qualitative studies assume differentiation perspectives and present a more critical orientation [4].

## 2. THE MAIN CONCEPT OF CORPORATE CULTURE

There is increasing interest in studying the role and importance of corporate culture on IT management practices and the further impact on the company. The corporate culture is very important to understand the practices that describe companies and for forecasting their success. In a

difficult and competitive business environment, it is highly important that managers create a corporate culture that subserves innovation and IT management practices for improving organizational performance. [8].

To improve the capacity of companies to present a piece of new knowledge and to amplify the knowledge base requires discipline in operating knowledge to improve an organization's learning capability and the corporate culture. [1].

The corporate culture is an emotional environment shared by members of the organization, which includes their values, norms, assumptions and tangible signs of their behaviors, management, teambuilding, and leadership [10].

Corporate culture is an example of employees' behavior and thinking that describes the companies' values that are included and accepted in the companies that become the characteristics that clearly present differences between companies [6].

M. Gallivan & M. Srite summarize and present the four types of IT and corporate culture research traditions and the approaches of scientific researchers in that field:

1. Scientific researchers who accept the corporate culture as potential flexibility
2. Scientific researchers who present the corporate culture as an "integrated" or "unifying" power
3. Scientific researchers who accept different social groups as mutually particular organizations, because generally, they study individuals within companies
4. Scientific researchers who consider the corporate culture of IT companies as a malleable thing for their design and development processes [9].

D. Maximini suggests the following types of corporate culture models:

1. Harrison's culture model,
2. Deal and Kennedy's culture model,
3. Schneider's culture model,
4. The competing values framework model,
5. Cameron and Quinn culture model
6. Culture change over time model [5].

Several scientific researchers present different types of corporate culture. Some researchers divide the corporate into the following three types:

1. Bureaucratic
2. Innovative
3. Supportive.

Other researchers divide it into the following four types:

1. Rational
2. Hierarchical
3. Group
4. Developmental.

It is possible to find more other types of corporate culture's division in high-tech industry companies. There are a lot of high-tech industry companies that use these types of corporate culture's division, some of them change them to

adapt to their organizations, also it can be found companies that accept quite different types of the corporate culture division [12].

Overall, we can present the corporate culture of the company as united programming of the company's management strategy, working environment, and general goals, which distinguishes one company organizational environment from others.

### 3. THE LINK BETWEEN CORPORATE CULTURE AND ORGANIZATIONAL AGILITY (OA)

It is an indisputable fact, that one of the most important factors, which is an indicator describing the IT company's effectiveness, is organizational agility (OA) [4].

OA in IT companies can be described as an ability to adapt and respond to different changes in the environment, which leads to the external attention and prevalence of differences. [3]

The following table shows the main three types of correlated dimensions shape OA and their descriptions.

Table 1. The three types of correlated dimensions shape OA

Customer Agility	Includes opinions of customers, which help to gain enhanced market intelligence.
Partnering Agility	Involves absorptive knowledge from the definite business partners to expand the response of firms to market requests.
Operational Agility	Supposes redesigning of the quick process to use dynamic environmental and market conditions.

Source: Adapted from [11].

There is a serious impact of corporate culture values on OA. Agile methods in IT companies clarify the need for a reasonable balance between different cultural approaches that are complementary [4]. Usually, in all successful IT companies, the managerial approaches concentrate on a diversified mix of organizational value and corporate culture [7].

Nowadays, the senior managers in the IT sphere clearly have to understand the importance of adapting their companies or departments corporate culture to the ambition, which will help to become much more effective and agile IT companies [4].

### 4. CONCLUSION

The ability of IT companies to create and present consistent and beneficial innovations basically derives from the corporate culture. Yes, it is a fact, that the corporate culture takes more and more important role than individuals within a firm culture, but it does not mean that the role of senior managers can be overlooked. To become a completely innovative organization, senior managers of IT companies have to keep constant attention on innovation management. For that, they need to encourage the creativity of their team members and actively control the headway of the company, which will help to provide a corporate culture conducive to the valuable innovations as a constant generation. Corporate culture shows the needs of individuals and organizations. It also helps during companies' development and administrative processes.

As a result of my scientific research about corporate culture, organizational agility and management, I suggest to IT companies' senior managers to pay more and more attention to corporate culture, because nowadays it is able to make more effective working environment. With strong corporate

culture and detail oriented management the IT field managers can record and show better organizational agility, which is one of the most important factors for a dynamic growth for IT sphere companies.

### 5. ACKNOWLEDGEMENT

This paper is written as part of my PhD dissertation supported by my supervisor Artavazd Tadevosyan.

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