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STRATEGIES FOR FORMATION AND DEVELOPMENT OF ORGANIZATIONAL CULTURE IN MODERN ENTERPRISES

Introduction

The problem statement. In the modern world, organizational culture is gaining strategic importance for ensuring the effective operation of enterprises. In the context of high competition, globalization, digitalization, and constant changes, organizational culture becomes a key factor that determines not only the success of a business but also its ability to adapt to changes and implement innovations.

However, in practice, the formation and development of organizational culture face numerous challenges. Among the main problems, the following can be identified:

- The lack of a clear strategy for shaping culture in many enterprises, leading to a non-systematic approach.
- The difficulty of accounting for individual employee characteristics, their values, and motivations within the framework of organizational culture.
- Insufficient attention to the impact of external factors (globalization, social trends, digitalization) on the internal environment of the company.



- The issue of harmonizing the interests of employees and management in the context of shaping corporate values.
- The lack of appropriate mechanisms for evaluating the level of development of organizational culture and its impact on the company's performance.

This issue is particularly relevant for Ukrainian enterprises, which are in the process of adapting to modern market conditions and integrating into global economic processes. At the present stage of Ukraine's economic development, the formation of an effective organizational culture is a necessary element of the enterprise development strategy, contributing to enhancing their competitiveness, innovation, and resilience.

Thus, there is a need to develop a systematic approach to the formation and development of organizational culture, which will take into account both internal and external factors influencing the company's activities. This requires in-depth scientific research and the practical implementation of modern organizational development strategies.

The analysis of recent research and publications

Organizational culture is a key aspect of effective business management, determining their competitiveness, innovation potential, and ability to adapt to changes. In contemporary scientific literature, both foreign and Ukrainian researchers emphasize the importance of strategies for shaping organizational culture in the context of globalization and digitalization of business. Research on this issue can be found in the works of Ukrainian scholars T. V. Bohutska, L. V. Zhuravel, I. M. Ovcharenko, N. V. Kyrychenko, H. V. Rudenko, O. V. Yaremenko, as well as foreign researchers R. Barrett, G. Hofstede, D. Denison, K. Kim, R. Quinn, C. Handy, E. G. Schein, and others.

The issues of managing organizational culture have largely been studied by foreign scholars. For instance, researchers R. Blake and J. Mouton from the University of Houston proposed a typology of organizational cultures based on two main vectors of value orientations: the focus of managers on achieving high economic results and the orientation toward personal development to realize individuals' abilities. (Blake R. R. 2013)

Notably, the Ukrainian researcher M. Kopytko emphasizes the specifics of organizational culture formation in the Ukrainian context. She investigates how national values and sociocultural characteristics influence corporate norms and employee behavior, highlighting the importance of harmoniously integrating these aspects into the operations of modern organizations. (Kopytko M. I., 2021)

Ukrainian author I. Khomych studies leadership issues in the context of organizational culture development. He stresses that the effectiveness of corporate culture formation depends on the interaction between leadership and staff, as well



as the implementation of advanced management technologies. (Khomych, I. H., 2016)

Renowned American researchers K. Cameron and R. Quinn developed a classification of organizational cultures that includes administrative (hierarchical) and market types. These types, having opposing values, tend to conflict, which, according to the authors, must be resolved to enhance organizational efficiency. (İstanbulskaya Kh. 2021)

In turn, D. Denison, working at the International Institute for Management Development in Lausanne, explored the relationship between the characteristics of organizational culture and enterprise efficiency, emphasizing the importance of harmonizing these elements.

An analysis of academic publications on this topic indicates that in Ukraine, the study of issues related to organizational culture is only beginning to emerge as a separate research field. This highlights the urgent need for further development of the theoretical foundations of organizational culture management, underscoring the relevance and importance of continuing research in this area.

The aim of the article is to analyze modern strategies for shaping and developing organizational culture in enterprises, define their role in improving management efficiency, competitiveness, and adaptation to dynamic changes in the external environment. The work also aims to examine theoretical approaches to organizational culture formation, highlight innovative methods and practical aspects of its development, taking into account both Ukrainian and international experience.

Presentation of the main material

Organizational culture is a key element in the effective functioning of modern enterprises. It serves as the foundation for forming the unique identity of the company, harmonizing internal processes, creating a favorable climate for innovation, and ensuring resilience in a competitive environment.

One of the scientific approaches to defining the concept of "organizational culture" includes various methodologies: organizational, rational-pragmatic, typological, functional, phenomenological, etc. (Tyesheva L., Unguryan K., 2022) At the same time, most scholars believe that the essence of organizational culture is best revealed through its main functions. In particular, within the functional approach, T.A. Vlasenko emphasizes the content of the concept of "organizational culture" through specific functions such as: (Vlasenko T.A., 2023)

- Identification – manifested in expressing the individuality of the organization's employees.
- Discreteness and flexibility – contribute to the formation of collective dedication, loyalty, or even patriotism among employees.
- Stabilization – serves as a psychological guarantee of the stability of the enterprise's social system.



Despite the importance of these functions for the effective functioning of an organization, they are not sufficient. The functional approach does not take the external environment into account, which is why organizational culture serves as a social foundation, which, in the long term, does not ensure effective adaptation of the enterprise to changing external conditions.

A similar position is expressed by A. Polyanska, who also emphasizes the internal functions of organizational culture, leaving the external ones secondary. According to the scholar, the main functions are: (Polyanska A. S., 2018)

- Separation – emphasizes the uniqueness of a particular enterprise compared to others.
- Identification – forms a sense of uniqueness within employees regarding the organization.
- Encouraging loyalty and development – fosters employees' dedication and motivates them to achieve higher goals than personal interests.
- Stabilization – ensures the stability of the organization's social structure.
- Positioning – sets standards for behavior and communication within the enterprise.

Thus, while these approaches are important for understanding organizational culture, they have their limitations, especially in terms of their impact on the development and adaptation of the enterprise to a changing external environment.

Organizational culture encompasses a system of values, norms, and beliefs that shape employee behavior and influence all aspects of the enterprise's activities. According to R. Blake, culture has three levels: artifacts (external manifestations of culture), proclaimed values (officially declared principles), and basic assumptions (deep-rooted beliefs that determine behavior).

The formation of organizational culture requires a systematic approach. The main strategies include: (Buhayevska Y., 2021)

1. Identification of core values: defining the key principles that unite employees and align with the strategic goals of the organization.
2. Leadership as a factor in shaping culture: leaders must set an example, demonstrating behavior that reflects the declared values.
3. Integration of new employees: adapting new employees to the corporate culture through training programs, mentoring, and internal communications.
4. Motivational programs: creating a system of incentives that encourage behavior in line with cultural principles.

As we can see, the main strategies involve the formation of basic values that align with the strategic goals of the enterprise, the development of leadership that serves as a model for emulation, the integration of new employees through adaptation programs, and the implementation of motivational systems aimed at supporting desired behavior in accordance with cultural principles.



A more comprehensive list of functions was proposed by V.V. Derhachova. In this case, functions are introduced that are specifically focused on internal, external, and innovative factors. In particular: (Derhachova V.V. 2020)

- Cognitive function: It allows the employee to better understand themselves, determine their status, assess their capabilities, and realize their potential within the specific enterprise.

- Value function: It shapes personal values that develop or change through the value system of a particular social group.

- Communication function: It facilitates the creation and maintenance of effective communication channels, ensuring interaction and mutual understanding between employees and management.

- Normative-regulatory function: It sets clear behavior norms for employees, making their actions predictable and manageable.

- Motivational function: It creates a sense of belonging to a strong organizational culture that motivates employees to work for the benefit of the enterprise.

- Innovative function: It creates a system of goals aimed at meeting customer needs, fostering innovation, readiness for risk, and social responsibility. The result is a positive image of the enterprise and high authority among consumers and suppliers.

- Stabilization function: It involves the formation of social stability and increased cohesion within the team.

Taking into account the above provisions, it is advisable to form the functions of the organizational culture of the enterprise, considering the influence of internal and external factors. In this regard, the ideas of scientists E. Schein, Yu., and H. Rudenko are supported. It is proposed to divide the functions of organizational culture into two main groups: (Kopytko M. I., 2021)

1. Functions of internal integration, which ensure the unity of the enterprise and the coordination of actions among its employees. This group of functions contributes to the determination of the forms of interaction between employees.

2. Functions of external adaptation, aimed at integrating the enterprise into the external environment.

The functions of internal integration include: (Chomych, I. H., 2016)

- Organizational function: management forms values that take into account the influence of the external environment.

- Integrating function: unites the interests of employees, forming a sense of identity, belonging, and involvement in the common cause.

- Normative-regulatory function: promotes the predictability and manageability of the behavior of the organization's members.

- Substitution function: ensures management that can replace formal management mechanisms with informal ones.



- Adaptive function: helps new employees quickly adapt to the cultural values of the enterprise.
 - Educational and cognitive function: directs employees toward continuous development and improvement of professional skills.
 - Motivating function: contributes to the transfer of the feeling of involvement in the important mission of the enterprise, increasing motivation.
 - Communicative function: helps employees learn the norms of behavior and communication for effective interaction.
 - Quality management function: instills a sense of responsibility for the quality of products or services in employees.
 - Recreational function: contributes to creating psychological comfort and restoring the emotional state of employees.
- The functions of external adaptation include:
- Innovative function: constant search for innovations to gain competitive advantages.
 - Function of forming a positive image: ensuring a favorable impression of the enterprise in society.
 - Customer orientation: meeting the needs of customers.
 - Managing partner relations: creating a respectful attitude toward partners.
 - Adaptation to societal needs: integrating the enterprise into social structures.

The original research confirms that creating conditions for the formation of an organization's culture is an attempt to effectively influence employee behavior. When leaders of the enterprise develop certain attitudes and value systems for employees within the defined organizational structure, it is possible to motivate, plan, and predict expected behavior. However, it is important to take into account the already existing culture of the enterprise.

It is suggested to interpret the management of organizational culture as a targeted improvement of any actions within the culture of the enterprise, carried out in accordance with the values and functions of internal integration and external adaptation. At the same time, this should occur in constant interaction with the dynamic internal and external environment. In these conditions, it is advisable to manage organizational culture step by step, considering that at each stage this process will have a specific impact on the quality of working life.

Based on the above, we believe that organizational culture is an important factor influencing the ability of the enterprise to generate innovations, adapt to changes in the external environment, and remain competitive. Managing such culture requires a systematic approach based on clear principles. Table 1.



Table 1. Principles of Managing Organizational Culture Focused on Innovation in Modern Enterprises (Systematized by the Author)

The principles of organizational culture management	The characteristics aimed at the innovation of the enterprise
Focus on Creativity and Innovation	A key principle of an innovative culture is the creation of an environment that fosters creativity and innovation. This is achieved by: encouraging employees to express ideas; supporting initiatives and experiments; tolerating mistakes, which are an integral part of the innovation process.
Leadership as a Driver of Change	Leaders in the company play a crucial role in shaping organizational culture. They must: demonstrate openness to new ideas; encourage employees to learn and develop; take on the role of mentors who support innovative initiatives.
Flexibility and Adaptability	Modern businesses must respond quickly to changes in the market and technology. This involves: implementing flexible project management methods (e.g., Agile); creating interdisciplinary teams to solve complex problems; being willing to review existing strategies and processes.
Collaboration and Teamwork	Innovation often arises in an environment where employees have the opportunity to exchange knowledge and experience. For this, it is important to: create conditions for open communication between departments; develop a culture of trust and mutual respect; encourage collaborative work on innovative projects.
Learning and Development	Systematic learning is the foundation for supporting innovation. The organization should: invest in employee qualification enhancement; implement exchange programs with other organizations; support access to up-to-date knowledge and technologies.
Stimulating Innovative Behavior	To foster an innovative culture, it is important to develop a motivation system that: rewards contributions to the

	development of new ideas; recognizes achievements of both individual employees and teams; promotes long-term involvement in innovative projects.
Customer Orientation	An innovative culture should focus on creating value for the customer. This includes: actively involving customers in the product and service development process; studying their needs and expectations; quickly responding to feedback.

Source: Buhaievskaja Yu., 2021.

Managing organizational culture focused on innovation is a complex but extremely important task for modern enterprises. Adhering to the above principles allows for the creation of an environment that fosters the generation of new ideas, their implementation, and ensures the competitiveness of the organization in a dynamic market environment.

Based on the above, we consider it appropriate to provide an example of methods for shaping and developing the organizational culture of a modern enterprise, as we are convinced that they encompass a wide range of tools that contribute to the creation of a positive work environment, increased employee motivation, and improved organizational performance. Table 2.

Table 2. Methods of Formation and Development of Organizational Culture in a Modern Enterprise (Systematized by the author)

The main methods of forming the organizational culture of a modern enterprise.	The characteristic of organizational culture development.
Definition of Values and Mission	1. Formulation of the company's mission: defining the main purpose of the organization's existence and its strategic priorities. 2. Development of key values: moral principles that determine the behavior of employees and management.
Leadership and Management Example	1. Role of leaders: Leaders should set an example by adhering to values and ethical standards. 2. Coaching and mentoring: Leaders teach employees not only professional skills but also corporate standards.



Communication	<ol style="list-style-type: none">1. Transparency of information: regular updates to employees about strategies, successes, and challenges.2. Feedback: openness to suggestions and requests from employees to improve the culture.
Training and Development of Personnel	<ol style="list-style-type: none">1. Training and workshops: educating employees on corporate culture, ethics, and teamwork.2. Development programs: courses for professional growth and personal development.
Recognition and Rewards	<ol style="list-style-type: none">1. Material incentives: bonuses, rewards for achieving goals that align with the company's values.2. Non-material recognition: thanks, awards, acknowledgment at corporate events.
Development of Internal Traditions	<ol style="list-style-type: none">1. Corporate events: organizing holidays, team buildings, and conferences.2. Rituals and symbols: creating unique traditions and using the corporate brand (logos, mottos).
Monitoring and Evaluation of Culture	<ol style="list-style-type: none">1. Engagement assessment: conducting surveys and research among employees.2. Effectiveness analysis: checking how the culture contributes to achieving the company's goals.
Innovative Methods	<ol style="list-style-type: none">1. Gamification: using game elements to foster team spirit and implement new approaches to work.2. Digital platforms: using modern technologies for training and communication.
Creating a Positive Work Environment	<ol style="list-style-type: none">1. Flexible working conditions: the possibility of remote work, flexible schedules.2. Well-being care: programs to support mental health, sports activities.

Source: Dergachova V.V. 2020

As we can see from the analysis of the table, the development of organizational culture is a lengthy process that requires consistency, adaptation to changes, and involvement from all levels of staff. Implementing these methods



allows companies to remain competitive, promote professional and personal growth among employees, and create value for society.

Conclusions and recommendations

The research conducted allows for the proposal of a personal vision of the process of managing the organizational culture of a company. This is understood as the purposeful improvement of all aspects of the company's culture, carried out in accordance with the values and functions of internal integration and external adaptation, while also considering the constant changes in the internal and external environment.

It is proposed that the management of the organizational culture of a company be carried out in stages, identifying three main phases: the basic phase, analysis of the current state, and strategic orientation. It is important to note that this process is complex and multifaceted, as it takes into account three key aspects of culture:

1. Social culture – reflects the roles and responsibilities of employees, considering their social status, distribution of power, and interpersonal relationships within the team.
2. Material culture – concerns the specifics of performing labor processes, organizing the working environment, and the use of resources by each employee.
3. Ideological culture – encompasses the values, beliefs, and ideals shared by employees or teams, including emotional and intellectual principles that define their behavior and interaction.

The implementation of effective management of organizational culture is only possible by considering the specifics of the company's activities, its industry, size, and organizational structure. This approach helps create a culture that not only facilitates adaptation to external changes but also ensures the harmonious development of the team and the company as a whole

Based on the research conducted, the following recommendations can be proposed for companies:

1. Conducting an analysis of the existing culture. Regular evaluation of organizational culture helps identify strengths and aspects that need improvement.
2. Developing a strategy for shaping the culture. Defining the core values, mission, and vision of the company that will be shared by all employees.
3. Investing in training and development. Conducting training sessions, seminars, and workshops to develop employees' skills, including leadership, communication, and change management.
4. Motivation and recognition of employees. Introducing incentive programs that emphasize the importance of each employee's contribution to achieving the company's overall goals.



5. Supporting communication and openness. Creating an environment where employees can freely express their ideas, participate in decision-making, and influence the development of the company.

6. Implementing technologies. Using digital tools to improve internal communication, remote work, and process management.

Implementing these recommendations will help companies build an effective organizational culture, which will serve as the foundation for sustainable development and success in a dynamic business environment.

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Abstract

The article is devoted to strategic approaches to the formation and development of organizational culture in modern enterprises. The key stages and factors influencing the creation of a healthy and effective corporate culture, which contributes to increased productivity, team development, and innovation in companies, are identified. Special attention is given to methods of forming organizational culture through leadership, communication, training, and employee motivation. The role of cultural values, the mission, and vision of the organization, as well as tools for assessing and monitoring the state of organizational culture, are analyzed. The importance of adapting organizational

culture to the rapidly changing external environment and the needs of internal and external stakeholders is highlighted.

Keywords: organizational culture, organizational strategy, corporate values, development, enterprise, leadership

JEL Classification: M14, M12, D23