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Organizational Culture in Brazilian Public and Private Companies

Maria Cristina Ferreira
Gama Filho University

Eveline Maria Leal Assmar
Gama Filho University

Katia Maria Felipe Estol
Gama Filho University

Maria Cristina da Costa Chagas Helena
Gama Filho University

Mari do Carmo de Figueiredo Cisne
Gama Filho University

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Following a long tradition in Anthropology, the term culture was incorporated into the organizational literature in the 1970s by Pettigrew (1979) when he used such expressions as “corporate culture” and “organizational culture.” Since then, the study of culture has taken various theoretical or methodological approaches, which currently are either assimilated, considered to be supplementary, or mutually excluded. This has led to a prevailing lack of consensus or conceptual perplexity.

For Pettigrew (1979), organizational culture consists of “a system of public and collective meanings accepted by a given group over a certain period of time. This system of terms, forms, categories and images interpret for people their own situations” (p.574). However, for Schein (1992), organizational culture is to be understood as “the pattern of shared basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration – a pattern of assumptions that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems” (p.9).

According to Trice and Beyer (1993), culture involves conceptions, norms and values that are inculcated during the life of an organization. Communicating them, however, has to be done in a continuous and clear manner if they are to be kept alive. With this in mind, it seems that “cultural manifestation analysis” should take rituals and ceremonies into account; i.e., planned and elaborated activities by the organization that articulate various forms of cultural expression inasmuch as the conventional rules and standards are established through these rites. In other words, for Trice and Beyer, rites reveal the interpretation of a network of meanings that are subjacent.
A comparative revision of various conceptions of organizational culture permits, however, the identification of some general presuppositions concerning this phenomenon that, to a certain degree, underline contact points among the various viewpoints. Thus, Hofstede, Neuijen, Ohayv and Sanders (1990) stress that organizational culture is related to an organization's history and tradition. It has some depth and is difficult to decipher and explain, but it should be interpreted. Organizational culture is, by its own nature, collective, shared and ideational and refers to values, beliefs, knowledge and other deeper aspects. It is holistic and subjective, as opposed to being strictly rational and analytic.

In an attempt to put this field of knowledge into order, Smircich (1983) made a distinction between the two main foci of his study. The first encompasses a functionalist perspective, seeing culture as a variable; i.e., “something that an organization has” (p.347). It considers that an organization can produce cultural artifacts (internal vision) or that a society’s culture, in which an organization is inserted, can be brought to the organizational environment by its members (external vision). The second focus encompasses a phenomenological tradition, seeing culture as a root metaphor. In other words it is “something that an organization is” (p.347), thereby conceiving an organization as an expressive form of the manifestation of human conscience, ideas, and symbols.

The adherents of the functionalist position, also designated as objectivists or positivists, acknowledge, however, that organizations produce cultural features that are fairly distinctive. These include values, norms, rituals, ceremonies and verbal expressions that together affect the behavior of both employees and managers. Furthermore, they assume that culture gives the organization's members a sense of identity, facilitates a larger involvement, guarantees system stability, serves as a vehicle for behavior orientation and modeling, and motivates the employees to do things right (Alvesson, 1993).

Studies that have been oriented from a phenomenological or hermeneutic position look at organizations as if they were a culture, as traditionally defined in Anthropology, to develop radically new theories and paradigms. Thus, they presuppose that organizations constitute manifestations of the expression of human conscience. For this reason, cultures should be analyzed mainly through their expressive, ideational and symbolic aspects that unify people and make shared actions possible. The underlying objec-
tive is the understanding and reflection of the culture, and not to search for pragmatic findings that might help to increase the efficiency which represent, in the last analysis, the basic concerns of the first focus (Alvesson, 1993).

Nevertheless, according to Riley (1983), although theoretical conceptions on organizational culture are polarized with regard to the two perspectives mentioned above, empirical studies in this area have opted for the integration of both conceptions. Consequently, Alvesson (1993), though acknowledging Smircich's reference (1983) as being crucial to regulate the study area in organizational culture, comments that it has not exhausted the various analyses made possible by a particular theory. With this in mind, he envisions a large number of scholars not to be put in one of the two categories, but in an intermediate category that utilizes the concept of culture as variable, broadly conceived, studying organizations as cultures. Such a strategy is defended because many cultural concepts (values, rites and rituals, for instance) do not lend themselves to quantification. On the other hand, to consider a culture only through symbols and meanings impedes the approach of other important perspectives, inasmuch as organizations constitute economic entities, where material conditions, external environment, competition and performance must also be taken into consideration.

Fundamentally following the functionalist perspective, different authors have sought to develop theoretical models whose purpose it is to explicate the different features or elements that an organizational culture might manifest. Schein's theoretical model (1991) postulates that organizational culture has three elements that vary regarding their accessibility level: artifacts, espoused values, and basic assumptions. The artifacts constitute a more superficial level of culture, i.e., corresponding to the organizational structures and processes, and to the group's tangible products, such as the physical environment architecture and the observed ceremonies. The espoused values, in turn, justify strategies, aims and organizational philosophies, while the basic assumptions refer to the beliefs that play a part in the members' vision of the world. Therefore, they tend to be unconscious and unquestionable.

Rousseau (1990) presented a model in which the main elements of culture are formed in interrelated layers that vary along a "continuum" of subjectivity and accessibility. Starting with the most visible elements right
through until the most profound ones the observation order is: artifacts, behavior patterns, behavioral norms, values, and fundamental assumptions. In a way, this model represents an amplification or elaboration of Schein's model (1991) in that it incorporates a higher level of specificity in determination and distinction among the various forms of cultural manifestation. Thus, Rousseau adds to the cultural elements defined by Schein (1991) the activity patterns (such as decision-making mechanisms, coordination and communication utilized in the resolution of organizational problems), and behavioral norms (organization expectations on how their members should behave and interact among themselves).

The theoretical model conceived by Hofstede et al. (1990) assumes that culture manifests itself through four elements that also differ in terms of their visibility to the observer. Symbols, the most external layer, consist of the words, gestures and objects that have a special meaning inside the organization. The heroes are the personages, either dead or alive, or real or imaginary, that have been bestowed with prestige in the culture and serve as behavior models for their members. The rituals consist of collective activities, superfluous from a technical point of view, but socially indispensable. The symbols, heroes, and rituals constitute the "practices" of the organization, and its cultural meaning is associated with the way they are perceived by everyone involved with the organization. The nucleus of culture is formed by values that refer to sentiments that are almost always unconscious, and therefore are not directly observable. Rather, they are revealed through alternative behaviors (corresponding to Schein's basic assumptions).

Calori and Sarnin (1991) presented an integrated model of corporate culture that, in a way, represents a synthesis of the previous models. Starting from the center and edging toward the periphery, it postulates that organizational culture emerges through basic assumptions, values, behavior norms, and its most visible and direct manifestations, such as symbols (languages, rituals, beliefs, architecture, etc.) and managing practices (recruitment and selection systems, evaluation and reward systems, relations with customers, competitors and with the social environment, etc.).

Studies guided by these theoretical models have primarily focused on the evaluation of observed similarities and differences in the values, behavioral norms and organizational practices of companies that show variations in whatever line of activities are in terms of the nature of their
business, etc (Calori & Sarnin 1991; Hofstede et al., 1990). At the same time, they consider the impact that an organization's culture exerts on the attitudes and behavior expressed by individuals within it. The voluminous empirical findings on this subject, available in the international literature, contrast with Brazilian investigations in this area. Although research is still scattered, there has been a noticeable increase in the interest shown by Brazilian researchers in the development and/or the adaptation of instruments designed to evaluate the extent to which different cultural factors are manifested in organizations (Gomide Jr. & Martins 1997; Oliveira, Gomide Jr., Martins, Marques & Cunha 1999; Tamayo & Gondim 1996), as well as by the analysis of cultural implications on some aspects of organizational life (Freitas, 1991; Gomide Jr., 1999; Tamayo 1998a,1998b; Thiollent 1997; Tomei & Braustein 1994).

Because Brazil is so large (more than half of South America), and because of the different historical roots of its colonization as well as its economic and social development, previous research has shown considerable cultural and economic variation among its geographical regions. Despite these differences there are strong similarities in the national values, beliefs, norms, customs, and general behavioral patterns of Brazilians. As members of a collectivist society, and one that is moderately high in power distance (Hofstede, 1980), Brazilians see themselves as belonging to an in-group and recognize inequality and differences in status. Moreover, they are described as very passionate and emotional (Pearson & Stephan, 1998), and while "machismo" describes male behavior as essentially dominating and aggressive, feminine values underline the self-sacrificing woman living in an adequate balance between motherhood and purity (Baldwin & DeSouza, 2001). The Baldwin and DeSouza study regarding gender roles in Brazil also pointed out that two dialectical tensions characterize the construction of gender in our country: the tension between traditionalism and modernity and between unity and difference. In the face of the peculiarities of the Brazilian cultural history, it is very likely that these same tensions exist in the other spheres of social life as well.

If we look at the Brazilian business life, for instance, we can observe similar phenomena. According to Mattos (1996), Brazilian organizational cultures can, in general, be traditionally seen as closed systems in which leaders with strong personalities, rigid values, paternalistic patterns and highly centralized hierarchical structures prevail. The main cultural conse-
quences of these organizational traits are the improvised style of doing things (lack of planning) which leads to the famous Brazilian "jeitinho," an expression that is difficult to translate but essentially says "Well, there is no way to reach the goal, but in a certain way (with the help of God), we will achieve it anyway" (Strohschneider & Güss, 1998, p. 699). In addition, we can expect, to some degree, a disaggregating environment with its negative effects on employee commitment and participation, and finally, a strong emphasis on a bureaucratic structure, which, in turn, promotes the lack of initiative and the prevalence of regimental rules upon planned actions oriented towards better results.

More recently, deep changes in the Brazilian economy have been gradually transforming the business climate from paternalistic and protected to one of free enterprise (Ettorre, 1998), especially in the Southeastern part of the country, which is an economically well-developed and heavily industrialized region. On the other hand, as another symptom of Brazilian cultural diversity, private and public cultural organizations have been traditionally described in different terms. This is partially because of distinct degrees of co-existence of old and modern economic and business conceptions, and partially because of the existing differences in some relevant working conditions concerning legal rights, such as retirement prerequisites and rights, guarantee of job stability, personal and professional advantages, and so on.

Taking into account those considerations about Brazilian national culture and the cultural particularities of organizations that differ in its economic nature and type of business, the current study's objective was to compare the organizational culture of both public and privately run companies. To satisfy that aim, the existing differences and similarities from the members' perceptions concerning the values and practices that typify their organizations were analyzed. It is considered well worth the effort to carry out additional studies that might contribute to an understanding of different factors that interact within an organization's culture.

**Method**

**Participants**

Participants in this study were 547 male and female workers, all volunteers, from either public or private trading, industrial, and service-
Organizational culture in Brazilian companies

Table 1

Sample Composition

<table>
<thead>
<tr>
<th>Variables</th>
<th>Public companies</th>
<th>Private companies</th>
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<td>N</td>
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</tr>
<tr>
<td>Female</td>
<td>75</td>
<td>45</td>
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<td>Total</td>
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<td>100</td>
<td>380</td>
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<td>Education</td>
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<td>Elementary</td>
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<tr>
<td>Secondary</td>
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<td>29</td>
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<tr>
<td>University</td>
<td>114</td>
<td>68</td>
<td>135</td>
</tr>
<tr>
<td>Total</td>
<td>167</td>
<td>100</td>
<td>380</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th></th>
<th>M</th>
<th>SD</th>
<th>M</th>
<th>SD</th>
<th>M</th>
<th>SD</th>
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</thead>
<tbody>
<tr>
<td>Age</td>
<td>41.66</td>
<td>7.98</td>
<td>34.06</td>
<td>9.04</td>
<td>35.83</td>
<td>9.47</td>
</tr>
<tr>
<td>Length of service</td>
<td>7.70</td>
<td>8.24</td>
<td>5.58</td>
<td>6.19</td>
<td>6.13</td>
<td>6.67</td>
</tr>
</tbody>
</table>

providing organizations, 56 in all, living in the city of Rio de Janeiro (see Table 1). They ranged in age from 18 to 62, with an average of 35.83 and an SD of 9.47. Most of them attended secondary school (40%) or have been to college (45%). Their length of service to their companies ranged from 1 to 39 years, with an average of 6.13 years and an SD of 6.67. The titles of respondents' positions varied largely, but the majority was white-collar workers (51%). Because of the exploratory nature of the study and its strictly comparative purposes concerning the organizational values and practices that predominantly typify the selected private and public enterprises, the organizations were matched neither to size, nature of their business nor ownership status.

Instrument

The data were collected through a questionnaire developed and validated by Ferreira, Assmar, Estol, Helena and Cisne (2002). It consists of
101 items, with four sub-scales referring to the values endorsed by the organization and four sub-scales relating to the organization's practices. The four value sub-scales were associated with cooperative professionalism (23 items), rigid hierarchical power structure (13 items), competitive professionalism (8 items), and employee satisfaction and well-being (11 items). Coefficients of internal consistency equal to 0.93, 0.74, 0.74 and 0.89, respectively, were computed. The other four sub-scales were associated with external integration practices (17 items), reward and training practices (14 items), communication and decision-making processes (7 items), and interpersonal relationship practices (8 items). Coefficients of internal consistency were 0.87, 0.82, 0.60 and 0.75, respectively.

**Procedure**

The questionnaire was given to the participants either individually or in groups, in their own companies, after receiving authorization from the managers and after the members agreed to participate. They were asked to indicate the level that each of the affirmatives has been effectively applied in their organizations, in Likert-type format scales of 5 points, ranging from “this has not been applied in any way at my company” (1) to “this has been applied fully at my company” (5).

**Results**

Initially, we calculated the means and standard deviations that were obtained by the members of the public and private companies for each of the sub-scales regarding organizational values and practices (Table 2). Subsequently, so as to compare the existing possible differences among the scores of the two groups in the different sub-scales, we calculated t-tests among the mean pairs obtained.

Table 2 shows that the members of private companies tend to believe that their organizations value cooperative professionalism ($t = 9.12; p < 0.000$) and employee satisfaction and well-being ($t = 8.03; p < 0.000$) at a significantly higher level than members of public companies do. On the other hand, the members of public companies rate that their organizations value rigid hierarchical power structures ($t = 12.30; p < 0.000$) and competitive professionalism ($t = 5.44; p < 0.000$) at a significantly higher level than members of private companies do. Regarding organizational prac-
Table 2
Comparison between the Scores of Members of Public and Private Companies in the Different Subscales of the Questionnaire

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Public companies</th>
<th>Private companies</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M</td>
<td>SD</td>
<td>M</td>
</tr>
<tr>
<td>Cooperative professionalism</td>
<td>50.07</td>
<td>13.45</td>
<td>61.86</td>
</tr>
<tr>
<td>Rigid hierarchical power structure</td>
<td>34.14</td>
<td>7.77</td>
<td>25.13</td>
</tr>
<tr>
<td>Competitive professionalism</td>
<td>27.49</td>
<td>5.69</td>
<td>24.38</td>
</tr>
<tr>
<td>Employee satisfaction and well-being</td>
<td>26.73</td>
<td>7.86</td>
<td>34.77</td>
</tr>
<tr>
<td>External integration practices</td>
<td>52.40</td>
<td>12.31</td>
<td>63.30</td>
</tr>
<tr>
<td>Reward and training practices</td>
<td>27.26</td>
<td>9.11</td>
<td>38.87</td>
</tr>
<tr>
<td>Decision making and communication practices</td>
<td>22.38</td>
<td>4.33</td>
<td>20.49</td>
</tr>
<tr>
<td>Interpersonal relationship practices</td>
<td>20.25</td>
<td>5.28</td>
<td>25.36</td>
</tr>
</tbody>
</table>

* p < 0.000

It showed that private companies, as perceived by their employees, adopt external integration practices \((t = 9.66; p < 0.000)\), reward and training practices \((t = 11.19; p < 0.000)\) and interpersonal relationship practices \((t = 8.88; p < 0.000)\) at a higher level than do public companies. On the other hand, public companies opt for decision-making and communication practices more often than private companies, according to their members visions \((t = 4.00; p < 0.000)\).

Discussion

This study’s main objective was to compare organizational culture between public and private companies, using their members’ perceptions on values and practices that they believe typify their organizations. The results provide evidence showing that private companies are more concerned than public ones about adopting values and practices as much for their internal customers as for their external ones. Overall, the different
“cultural” findings between these two types of organizations reinforce the recommendation that studies are not confined to a single case, just as this procedure does not allow comparative analyses and result generalizations (Moorman 1991).

With respect to internal customers, private companies, according to their members’ perceptions, value those that carry out their jobs efficiently and competently, demonstrating a team spirit, ability, dedication, professionalism and initiative, so as to reach common organization goals (co-operative professionalism). In addition, as private companies seem to be concerned about subjacent aspects of performance, such as employee satisfaction and well-being, they tend to humanize the work environment, making it a more agreeable and pleasant place in which to work. Such values manifest themselves in the implementation of reward and training practices. They stimulate and accomplish efficient development. Those values also manifest themselves in managerial practices oriented towards interpersonal relationships, as a form to favor the employee cohesion and satisfaction.

Private companies are also concerned about their external customers by adopting measures for strategic planning and decision-making that facilitate their integration with the market. In other words, the culture of the private companies that have participated in this study is primarily characterized by the value of efficiency and productivity achieved through the cooperation and healthy relationship among their members to obtain positive results in the internal and external market.

Yet, for public companies the emphasis is to fall back on valuing a centralized and authoritarian system of authority that makes it difficult to increase professional development and to acknowledge the human element (rigid hierarchical power structure). Inasmuch as the public companies emphasize individual competence and efficiency as a way to achieve the highly desired personal objectives, they implicitly stimulate the necessity of “passing over” colleagues who have longed for similar objectives (competitive professionalism). Such values manifest themselves through practices that aim at the implementation of interpersonal communication strategies and decision-making tactics that enhance the aforementioned power structure. In other words, the culture of the public companies that have taken part in this research can be fundamentally defined by valuing authority and competition, detrimental to the human element and to interpersonal relations, as a means of climbing the hierarchy.
In sum, a private company's higher value towards a combination of efficiency, capacity and competence, together with a team spirit and the concern of the well-being of their members, reveals a type of culture where the mottoes “do your part well” and “we know how to recognize, and to reciprocate” seem to prevail as a guarantee to fulfill organizational goals and productivity in a highly competitive market. The most frequently implemented management practices, from the employee's point of view, seem to align towards this double objective. The tendency is to promote procedures and measures oriented towards the external integration with the market, the compatible remuneration with the employee efforts, and the stimulation of a good working atmosphere. On the contrary, the values and practices seen to be most pervasive from a public company denote a distancing in interpersonal relationships, which supports the idea that management neglects the human and social aspects involved at work. Such cultural characteristics could be interpreted as negative reflexes of a culture that is strongly marked by the type of “win - lose” mentality, where the objective appears to be one worker against the other to get noticed, therefore, facilitating access to higher positions inside an existing functional hierarchical structure in the organization.

The results discussed in this paper concur with those achieved in a Brazilian study carried out by Helena (2000), where, among other objectives, it compared the different cultures of both a public and private organization, using the same questionnaire employed in this study. Likewise, the employees of the private company perceived their work environment as typically characterized by values related to cooperative professionalism, employee satisfaction and well-being, and managing practices enveloping external integration, training, reward and interpersonal relationships. On the other hand, the public company employees tended to think that in the culture of their organization, there was a prevalence of those values associated with competitive professionalism, a rigid hierarchical power structure, and those managerial practices oriented towards communication and decision making.

Otherwise, the tendencies revealed by these findings seem to confirm that the nature of an organization is a powerful element in the culture's configuration, which has been consistently shown by authors such as Ott (1989). According to Ott, the basic source of an organization’s culture is the nature of its business, which becomes responsible for social construction
that allows activities to develop, thereby modeling its culture. Similarly, Schein (1992) points out the ways organizations solve their internal adaptation problems and external integration ones confer to themselves a certain specificity and contribute in the formation of their culture. Ultimately, it is important to say that the organization's history and tradition play an important role in the construction of culture.

On the other hand, such results could be seen as evidence that the representations with respect to public and private employment have been changed. Until recently, certain representations were shown to be typical in the Brazilian sociocultural context. Thus, working for a public company was considered to be more attractive and pleasing than working for a private one, primarily because of apportioned perks and privileges, such as a guarantee of stability, flexible working hours, different functional ascending possibilities. However, the current data show that these representations no longer reflect current reality inasmuch as private company culture was associated with a more open and flexible environment than that one found in a public company. This is especially true if we focus on the flux of information, the expression of feelings and professional habilitation. These obviously reflect a more positive representation from a private company than from a public one.

One possible additional reason for such evidence could be the fact that the economic transformations promoted by globalization have impelled Brazilian private companies in a highly competitive market. This has taken investment in habilitation and the human element's well being in a form that is adequate for this market. Yet, the public companies have not felt the effect of globalization in such a way that they have not been pressed by necessity into returning to the external market to assure their survival. In addition to this, the fact that such companies have seen the freezing and progressive devaluation of the salaries in the majority of employee cases, it is perhaps a reason why they have stuck to the rigid hierarchical power structure and competition as a way of survival.

**Conclusion**

This exploratory study should be viewed as a first approach with respect to the possible implications of the Brazilian organization's nature for its cultural configuration since it has not been found in national literature references regarding this particular issue. With this in mind, it would
be interesting if future research on this topic looked into the role that some intrinsic factors to the organization – such as performance, geographical localization, size, etc. – play in the construction of its culture. Such investigations would certainly contribute to the elucidation of macro and micro factors that are responsible for the formation, maintenance and modification of the culture of these organizations.

References


Ferreira's e-mail address: mcris@centroin.com.br