ORGANIZATIONAL CULTURE AND BUSINESS STRATEGY: CONNECTION AND ROLE FOR A COMPANY SURVIVAL

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Abstract
The purpose of the article was 1) to assess the relationship between the organizational culture (OC) type and business strategy (BS); 2) to prove that OC influences the survival strategy success/implementation; 3) to contribute to the expansion of organizational theory by analyzing the Boston Consulting Group (BCG) strategy palette as the basis for developing an effective company survival strategy during the crisis. To achieve the purpose, correlation analysis between OC types (authors' typology) and BS (Boston Consulting Group and Miles & Snow Models) was used (561 employees of different industries participated in the survey; the data collected laid the foundation for the research). As a result, it was proved that 1) certain types of organizational culture correspond to certain types of strategies; 2) during the period when the company overcomes the recession, OC affects strategic innovation decisions; 3) building a sustainable business ecosystem enhances the positive impact. The main limitations of the study are 1) some elements of subjectivity assessment, 2) constant changes in OC and BS, 3) the probability of different subcultures coexistence.

Implications for a Central European audience: The results confirmed that there is a need for managers to 1) take into account the organizational culture characteristics/features to implement chosen strategies successfully; 2) be ready to adapt the OC before the BS is approved; 3) adopt the idea that building an innovation ecosystem can be crucial to confront the crisis with confidence.

Keywords: organizational culture; business strategy; ecosystem; organization survival strategy.

JEL Classification: L22, M14

Introduction
"Your strategy needs a strategy"(Reeves, Haanaes, & Sinh, 2015). Heads of business structures appreciated the importance of this idea right after the publication of an article in Harvard Business Review (Reeves, Love, & Tillmanns, 2012): the companies specialized in
consulting services of strategic management immediately adopted a new two-stage approach to exit crisis proposed by BCG experts (Boston Consulting Group). Unfortunately, although the method was developed with the direct participation of academic collaborators (in particular, Simon Levin of Princeton University) (Reeves, Haanaes, & Sinh, 2015), as of today, the scientific world has not paid enough attention to "The Strategy Palette ". Moreover, this method's undoubted advantages include not only the specificity and effectiveness of the steps taken but also the maximum consideration of the impact on the process of forming the strategy and its environmental results.

It is unstable. The economies of countries, primarily the developing ones, are faced with the need to tackle complex tasks at the macro level caused by the continually gaining momentum of globalization processes, changes in the structure of demand, expenditures and consumer incomes; at the micro-level — with the organization’s uncertainty in the ability to withstand external challenges, accept changes, keep up with technological progress, attract and retain personnel with the necessary characteristics and skills in the long term (Ulrich, 1997). Social development is driven by the impact of global subjects, global trends, global threats, global risks, global problems, and global challenges (Sardak, Korneyev, Simakhova, & Bilskaya, 2017). All the above makes the limited resources problem even more acute; actualizes the need to solve it.

In such conditions, intangible sources start to play a special role in improving the companies’ competitiveness: methods, tools, systems, structures. These, as proven by both theory and management practice, include organizational culture and the company's business strategy.

As will be shown below, for certain aspects of both BS and OC, there was given sufficient attention in the scientific literature: scientists are aware of the role of both in the successful development of an individual enterprise and the global economy as a whole. However, the relationship of certain types of strategies and types of organizational culture cannot be considered as sufficiently investigated; when it comes to the stage of overcoming the crisis by the company under the BCG renewal strategy, no attempt has yet been made to study such relationships. That is why our purpose to enhance the existing organizational/strategic management theory can be considered as essential.

Moreover, when it comes to business practitioners, the BCG approach should be recognized as crucial: the palette is a simple and clearly defined algorithm of action, which has already proved its effectiveness in Western countries and was increasingly used in developing countries. The enhancement of an appropriate theoretical framework will not only popularize a relatively new management method but also become a reliable tool for solving problems both by business owners themselves and by professionals involved.

1 Organizational culture: definition

The OC definition range available today is quite impressive. For most scientists in their research based on the Schein findings (1985), that organizational culture means a "pattern of basic assumptions that a given group has invented, discovered or developed in learning to cope with its problems of external adaptation and internal integration, and have worked well enough to be considered valid. Therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems ". Hofstede (2011) proposes to
refer to the culture as "culture of mind ". O’Dell & Grayson (1998) described OC as "a combination of shared history, expectation unwritten rules ". Janicijevic (2011) insists that OC can be defined as "a system of assumptions, values, norms and attitudes manifested through symbols which the members of an organization have developed and adopted through mutual experience and which help them to determine the meaning of the world surrounding them and how to behave in it ". "Hatch (1993) believes that culture is a "set of assumptions and a group of individual and group behaviour ". Culture can also be perceived as philosophy, ideology, values, and assumptions shared by members of an organization (Lund, 2003); as an invention that promotes integration, fills in with meaning, and fosters organization loyalty and increases productivity (Deal & Kennedy, 1982; Lund, 2003).

These definitions are based on both cognitive and functional approaches. However, it is precisely their influence on the organization members' behaviour and, as a result, on possible changes in the company that is becoming a source of increasing interest in researching the topic of OC.

2 Organizational culture: typology

The OC classification also received considerable attention from scientists. Deal & Kennedy (1982) identified four types of culture: 1) "you did a good job – you can rest " (stable, not very risk-taking group); 2) "boy-macho " (appreciating pressure, individual achievement and risk, when it justifies himself); 3) "process " (based on a strict hierarchy and actively resisting any innovations); 4) "put everything at stake " (aimed at long-term projects requiring significant investments; welcoming strategic decisions, not seeking to avoid uncertainty; considering innovation as a success factor) ("Work Hard-Play Hard Culture "; "Though-Guy Macho Culture "; "Process Culture "; "Bet-Your-Company ").

Ogbonna & Harris (2000) base their findings on the culture division into the following components: innovative culture, competitive, bureaucratic, and community culture. Huey Yiing & Zaman Bin Ahmad (2009) focused on analyzing innovative, bureaucratic and supportive OC.

Olanipekun, Aje & Abiola-Falemu (2013) offer an alternative: a culture of stability, support, corporate social responsibility, reward, competition, performance orientation, and innovative culture (performance orientation culture, competitive culture, stability culture, supportive culture, reward culture, cooperate social responsibility culture, innovative culture).

Abdullahi Sarki & Bin Adulhamid (2016) analyzed and summarized the predecessors' results, obtaining a list that includes both typology and components, and OC measurements; for their own research, they chose innovative culture, constructive culture, task culture, passive/defensive culture, bureaucratic culture, supportive culture, the norm of work.

In this case, the typology proposed by Cameron & Quinn (1999) is most frequently used by the researchers today. Scientists have identified: 1) clan (or group) culture; 2) adhocracy (entrepreneurial); 3) hierarchical (bureaucratic) and (4) rational (market) (1) Group or Clan, 2) Adhocracy or Entrepreneurial, 3) Hierarchy or Bureaucracy, and 4) Rational or Market culture). Naranjo Valencia, Jiménez-Jiménez, & Sanz-Valle (2011) used the same model; Yarbrough, Morgan, & Vorhies (2010); Ahmadi, Ali, Salamzadeh, Daraei, & Akbari (2012);
The criteria for decomposition are the norms developed by the organization, which help to interact with the internal and external environment and to choose between stability-control pairs, on the one hand, and flexibility and adaptability, on the other (Cameron & Ettington, 1985; Cameron & Quinn, 1999).

3 The role of organizational culture

In modern conditions, the role of organizational culture is difficult to overestimate. It is especially important to develop a strong and strategically significant culture in the early stages of a company's existence, since, together with the control and organizational structure, culture is the key to subsequent achievements (Baron, Hannan, & Burton, 2001) leads to success (Ouchi, 1981). Morente, Ferràs, & Žizlavský (2017) argue that the close relationship between organization, culture, and innovation is critical for survival.

Providing a culture that is not easy to copy, it can become the basis for creating sustainable competitive advantage (SCA) (Rothearmel, 2015), which is reflected in financial results (Barney, 1986). In addition:

- The OC is the most important factor in the knowledge dissemination (organizational structure takes the second place) (Ruggles, 1998) and the effectiveness of this process (Zheng, 2005),
- The OC forms industrial relations (Awino, Muteshi, Kitiabi, & Pokhariyal, 2018) as a whole.
- The OC provides for mobility and employee development; responsible for talent management (Handari Wahyuningsih et al., 2019).
- The OC has a significant impact on the company's communication system (which, in turn, significantly depends on the transparency of goals and roles, reducing the number of conflicts and the turnover of qualified personnel) (Biswas, 2009); this system's low efficiency makes it considerably more difficult (or impossible in principle) to achieve goals jointly (Solaja, Idowu, & James, 2016).

Thus, the Z theory, highlighting the humanistic approach to the interaction organization within the company, proves that employees become loyal, increase the productivity and profit of the enterprise when they are confident in the stability of career advancement; have the ability to maintain a balance between working time and personal life, constantly develop, learn, expand their powers, make decisions, thereby increasing self-esteem; they trust each other, take care of themselves, are collectively responsible for what is happening. Only a strong corporate culture can provide all the following aspects (Ouchi, 1981; Ouchi & Wilkins, 1985):

- identifies key top management skills; acts as a moderator of relations between managers and subordinates reduces their tensions (the exception is bureaucratic culture) (Huey Yiing & Zaman Bin Ahmad, 2009),
- influences innovation and productivity (Hogan & Coote, 2014),
- has a strong and positive impact on employee commitment (Sepahvand, Jafari, & Hamidvand, 2016),
- plays a positive moderating role in the relationship "knowledge management – organizational effectiveness "(Danish, Munir, & Butt, 2012),
- improves employee performance (Huey Yiing & Zaman Bin Ahmad, 2009; Odiakaose ODOR, 2018),
- the involvement in the workflow forms a system of cognitive and affective perception of one's life for employees (Zhou, Chen, & Liu, 2019),
- increases the level of job satisfaction (Mariati & Mauludin, 2018), although, in general, the latter significantly depends on the OC type (clan and hierarchical leadership positions) (Zhang & Li, 2013),
- promotes innovation strategy implementation (Oro & Lavarda, 2019). Moreover, OC can rightfully be considered as its determinant (Naranjo-Valencia et al., 2011),
- supports sustainability (from this point of view, it is crucial to encourage the development of cultural components that help to set high ethical standards in the organization) (Odiakaose ODOR, 2018).

Prajogo & McDermott (2011) also insist on the importance of taking into account the features of particular types of OC. In particular, according to the authors, it is the developing culture (when compared with rational, group and hierarchical) that contributes the most to improving the product/service quality, introducing product and process innovations (Prajogo & McDermott, 2011). When it comes to innovation, in terms of, for example, adhocracy, preference is given to innovations, hierarchy – imitation (Naranjo-Valencia et al., 2011) and so on. For the service sector, an organizational culture is a pricing tool on which customer satisfaction depends (Kalnitska, 2018) and, as a result, accessible business strategies.

The degree of heterogeneity of the dependence of the results on certain types of culture was noted by other scientists. For example, a clan culture has a stronger effect than others on achieving a sustainable level of organizational effectiveness (Koutroumanis & Alexakis, 2009). However, both clan and adhocratic cultures contribute to the implementation of business strategies (the other two also have this ability but to a lesser extent) (Ahmadi, Ali, Salamzadeh, Daraei & Akbari, 2012).

4 Strategy: definition

The strategies and various aspects related also occupied a worthy niche in the scientific literature. The latter, in particular, defines the strategy as

- "the determination of the basic long-term goals and objectives of an enterprise, and the adoption of courses of action and the allocation of resources necessary for carrying out these goals "(Chandler, 1962),
- the creation of a coherent stream of individual decisions taken in the negotiation process in the presence of conflicting objectives (Cyert & March, 1963),
- "the match an organization makes between its internal resources and skills... and the opportunities and risks created by its external environment "(Hofer & Schendel, 1978),
- "a pattern or stream of major and minor decisions about an organization’s future domain "(Miles & Snow, 1978),
- "a pattern in a stream of decision where the decision is defined as a commitment to action, usually a commitment of resource "(Mintzberg, 1978),
- "the pattern of decisions in a company that determines and reveals its objectives, purposes or goals, produces the principal policies and plans for achieving those goals, and defines the range of businesses the company is to pursue, the kind of
economic and human organization it is or intends to be, and the nature of the economic and non-economic contribution it intends to make to its shareholders, employees, customers, and communities "(Andrews & David, 1987),

- important decisions aimed at establishing certain company relations with the external environment, as well as defining the internal structure, processes, and efficiency (Hambrick, 1980),
- "actions taken to match the organization with its environment "(Segev, 1987),
- "an integrated set of choices depicting what a firm is doing or intends to do to achieve its performance goals "(Asoh, 2004).

5 Role of strategy

From the considered definitions, it directly follows the role that the strategy performs. It has already been proven that it serves as a means to achieve goals (desired for business results) (Reeves, Haanaes, & Sinha, 2015). BS is the connection between the organization's objectives, on the one hand, and operational plans/functional policies to achieve them, on the other (Hofer & Schendel, 1978; Hambrick, 1980). The strategy can have an impact on profits and productivity in a company in the event of unforeseen situations (Allen & Helms, 2006; Chi, 2010); a positive effect not only on efficiency, but also on culture, and contributes to achieving the synergy effect (O'Regan & Lehmann, 2008) from joining the efforts of partners.

It is a strategy that:

- defines organizational abilities, competences, and change management (Crawford, 2013) (with the organization's commitment to change, including significant (the so-called strategic competition; revolutionary approach),
- leads to a "reduction "of time (allows to achieve specific results over several years, which usually in the case of natural competition (evolutionary one) takes decades (Stern & Deimler, 2006)),
- influences a different degree of significance (depending on the chosen type) on leadership (Marx, 2015),
- serves as a "predecessor "of the organizational structure, while the lack of coherence between the first and the last is fraught with negative consequences (Marx, 2016).

However, like any other tool, strategies need updating. It allows employees to change their own perception of what is happening in the environment (which allows – including – faster than competitors to adapt their business) (Baumgartner & Mangematin, 2019). This ability is also important at the macro level: by improving strategies, companies in developing countries are able to penetrate the markets of developed countries; inexperience, instability and informational asymmetry in the domestic market, in this case, may not play a significant role (Samiee & Chirapanda, 2019).

6 Typology of strategies

"Generic Strategies" (Porter, 1980) can rightly be considered classical from the management theory point of view. This typology provides a standardization strategy (leadership at the expense of low costs), differentiation and concentration on the segment. The approach was further expanded (concretized) and included "Cost Leadership ", "Differentiation ", "Focused Cost Leadership ", "Focused Differentiation ", and "Integrated "strategies (the latter should be considered as a combination of the four previous ones) (Hoskisson, Hitt, & Ireland, 2004).

Yua, de Man, Duysters, & van Rijsewijk (2006) reviewed the "Applications Pioneering Strategy", "Product Technology Pioneering Strategy", "Reverse Product Life Cycle Innovation Strategy", "Reverse Value Chain Strategy"(The basis was a comparative analysis of the technological development levels of the United States, Western Europe, and Japan, on the one hand, and China, on the other). The division of strategies used in management into "corporate strategy, business strategy and functional area strategy (Functional Area Strategy), has become more traditional in the scientific literature "(Lin, Hsing, & Wang, 2008). At the same time, a characteristic feature of a business strategy is customer focus; concentration on a specific production unit or a particular field of activity (e.g., market segmentation; leadership in product and price policy) to gain more competitive positions (Lin et al., 2008; Sammut-Bonnici, 2015). In comparison, Functional Area Strategy aims to improve one of four main areas – marketing, finance, human resources, and operational management in general (Jiang, 2009). The corporate strategy identifies opportunities for further scale-up from a single business unit to a network of enterprises operating in the global market; it is based on the strategic positioning of the product and brand (Sammut-Bonnici, 2015).

The process of strategies differentiation is directly related to various models of management decisions that are focused on the functional areas of the company. Here, social and marketing business systems of a modern organization take a special place (Velychko & Velychko, 2017). Moreover, in recent years, "Product ", "Best value ", "Blue Ocean ", and "Market "strategies (Marx, 2015) have been offered to interested parties; Strengths-Opportunities, Weaknesses-Opportunities, Strengths-Threats, Weaknesses-Threats (strategies developed in accordance with the results of the SWOT analysis and AHP Model) (Nikolić, Spasić, Živković, Đorđević, Mihajlović, & Kangas, 2015).

However, the Miles, & Snow (1978) (M & S) model (Table 1) is the most frequently cited in the scientific literature today. The main reasons for its popularity for almost 30 years can be considered: 1) the authors' intention to harmonize the organization's internal characteristics, the external environment, and the strategy directly with its correct formulation (Bouhelal & Kerbouche, 2016); 2) the fact that this typology is both an effective tool and a basis for predicting the behaviour of an organization under certain conditions. Helmig, Hinz, & Ingerfurth (2014) subsequently expanded the typology proposed by Miles & Snow (1978) through Defensive Analyzer, Prospective Analyzer, Undecided Organization, but their idea was not widely spread.
Table 1 | Model Miles and Snow (1978): characteristics and applications

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<th>Type</th>
<th>Applied when managers/leaders</th>
<th>Strategy is to</th>
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<tr>
<td><strong>Prospectors</strong></td>
<td>lead an aggressive policy of winning and maintaining competitive positions; persist in seeking new market opportunities; strive to be pioneers in the industry; give preference to decentralization and cooperation over control, creativity over efficiency; results are evaluated in comparison with competitors; aware of the loss risk associated with the launch of a new product</td>
<td>continually increase market share through diversification or cost reduction; use of adaptable technologies; introduction of a wide range of technological lines. The approach provides advantages in a changing business environment or in a highly unpredictable environment.</td>
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<tr>
<td><strong>Defenders</strong></td>
<td>focus on occupying a narrow niche by ensuring a low level of prices or high quality of the product; focus on achievements, do not like challenges; exercise strict center control and long-term planning</td>
<td>focus on the release of a narrow but profitable product line; investing in R&amp;D to produce a standardized product. The strategy justifies itself when the environment is stable; changes are minor and predictable; competitors take a similar approach</td>
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<tr>
<td><strong>Analyzers</strong></td>
<td>Act on the basis of existing products/services, constantly expanding the range; aim to extend the life cycle of their product; adhere to standardization, allowing for adaptation elements; organize their structure in the form of a matrix; failure to achieve targets is considered to be the greatest risk.</td>
<td>avoid high technology costs; monitoring competitors; special attention to engineering and marketing. The strategy has proven high efficiency in the new environment.</td>
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<td><strong>Reactors</strong></td>
<td>do not have a clear plan to strengthen competitive positions; in daily activities, they prefer to answer outside calls to prevent losses and maintain status; content with what is of no interest to other groups; obey the rigid center, do not have room for maneuver; incapable of accepting changes and planning for the future</td>
<td>take a wait-and-see attitude or, conversely, an activity aimed at solving bureaucratic and not production problems. The approach cannot be considered a strategy as such. The situation arises due to the lack of personnel with sufficient qualifications to develop a vision and exercise thoughtful control over the implementation of the ideas.</td>
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The authors insist that the criteria for the strategy’s classification are “The Entrepreneurial Problem” (choice of market, product, technology); “The Engineering Problem” (technological process support); “The Administrative Problem” (formation of a structure that provides effective decision-making and control of resources) (Miles & Snow, 1978).

Source: adapted by the author from Miles & Snow (1978); Zahra & Pearce (1990); Asoh (2004); Helmig, Hinz, & Ingerfurth (2014).

However, despite its evident popularity, the model of Miles & Snow (1978) has certain limitations. So, Helmig et al. (2014), analyzing the health sector, faced with the fact that the "pure "matrix does not work; had to resort to the hybrid method; considering strategies "in-between either prospector and analyzer or defender and analyzer "(Helmig et al.; 2014, p. 8). Gimenez (2000) showed that the enterprises (150) he studied applied the four strategies discussed; that they allow companies adapting to competitive conditions; At the same time, he noted that this is true when there are mainly small businesses on the market. James & Hatten (1994) indicated that the theory does not work in a turbulent environment (would like to emphasize again that the environment instability level is growing rapidly and steadily).

When managers encounter similar problems, they start to look for a way out; science comes to their aid. Probably, that is why in recent years practice managers have increasingly applied the typology of strategies developed by specialists of the Boston Consulting Group to solve strategic tasks. Its "Matrix "has long become a classic of
marketing analysis; at the same time, the Strategy Palettestill, no doubt, needs detailed study and a deeper theoretical substantiation (Table 2).

<table>
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<th>Type</th>
<th>Applied when managers/leaders</th>
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<tr>
<td>Visionary (be fast)</td>
<td>convinced of their power over the world; realize this power by offering consumers revolutionary products or new business models. In instability, such leaders see first of all the opportunity that needs to be realized</td>
<td>1) readiness to foresee (represent); 2) to be the first to &quot;build &quot;; 3) execute and scale the strategy until it has exhausted itself</td>
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<td>Classical (be big)</td>
<td>confident in the stability of the business environment, the level of competition and the sustainability of the competitive advantage once obtained; inability to change external conditions; forced to take advantage of size, differentiation or competencies</td>
<td>1) analysis of CE, own and market opportunities; 2) development and 3) effective implementation of the plan</td>
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<td>Adaptive (be first)</td>
<td>realize that the environment cannot be considered predictable and pliable, forecasting is reliable, and the advantage is long-term; show flexibility, experiment, find options faster and more efficiently than other market players</td>
<td>continuity of change, generation, and selection of alternatives</td>
</tr>
<tr>
<td>Shaping (be the orchestrator)</td>
<td>consider the environment as poorly predictable, but pliable; sees this as a chance to establish their own rules of the game; understand that without cooperation with other stakeholders, it will not be possible to build an industry, reduce risk, restrain competitors</td>
<td>in forming a platform for cooperation, in the development of its and its associated ecosystem, in maintaining flexibility and diversity</td>
</tr>
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**The principal difference** from the three approaches mentioned above is the reliance on an ecosystem that includes not only "like-minded people ", but also competitors, and not individual enterprises.

| Source: Reeves et al., 2015; compiled by the author |

If we perform a comparative analysis, we can assume that there is a certain correspondence between the pairs Classical-Defenders, Adaptive-Analyzers, Visionary-Prospectors.

7 The OC connection with the strategy

Any theory (proposed by mathematicians, physicists, economists, etc.) becomes more convincing and of demand, when its results are confirmed by practice; when they can be brought to life and "touch ". The opposite is also true: the observations of practitioners form the basis of a theory that can be improved, supplemented, and distributed among a wide range of interested in solving such problems.
Something similar occurs now with the Boston Consulting Group strategy palette. Its components very clearly describe the actions/behaviour of managers under different conditions of the business environment (under the influence of external factors) (Reeves, Haanæs & Sinha, 2015). However, such a promising theory is still in specific isolation; lack of research leads to missed opportunities; in particular, it remains unclear how internal factors can affect the implementation of specific strategic decisions. Of course, organizational culture should be considered one of these factors.

The power of culture in strategic management has been recognized as critical (Picken & Dess, 1997). First of all, in many organizations, traditional culture can influence business strategy and decisions (Schein, 2009); successful implementation of long-term plans is not possible without an appropriate OC. Geert Hofstede, a recognized cultural authority, insisted on the need to take cultural dimensions into account in making and implementation of a strategy (Hofstede, Neuijen, Ohayv & Sanders, 1990). This statement remains relevant for our time (Isac & Remes, 2018). Yarbrough et al. (2010) asserted that the OC, introducing innovations, welcoming risk and entrepreneurship is very important for the successful implementation of strategies.

Chow & Liu (2009) emphasized the need to match the HR strategy with organizational culture to increase efficiency and monitor employee turnover rate (turnover rate); hypothesized that the effectiveness of the personnel strategy depends on its compatibility with the organizational culture, as well as with the general business strategy of the enterprise; showed that culture does not have a direct impact on the choice of personnel management strategy, but only affects this strategy, the company's efficiency, and the staff turnover rate.

Baird, Harrison, & Reeve (2007) admitted the existence of mutual conditionality existing between the organizational culture and strategy: a certain OC corresponds to each individual strategy and vice versa. Similar is true for different "subcultures ": Clan, Adhocracy, Market culture, Hierarchy show an unequal, but significant degree of correlation with the individual components of a business strategy (policy formation, policy implementation, recourses, motivation, and structural factors) (Ahmadi et al., 2012). In particular, Kalnitskaya (2015) showed the connection of OC with the innovative potential of the enterprise; however, the study has not yet developed further than theoretical reflections.

The impact of OC on the strategy development is carried out through the information collection, its awareness and interpretation; in the power of culture, both "legitimize "the strategy and "block "its adoption. OC affects the strategy in two stages. During the development (mentioned above) culture determines the features of the formulation and interpretation of strategies; In the process of incarnation, legitimization takes place directly. When implementation takes place in accordance with values and norms, the implemented strategy strengthens the built culture and vice versa (Janićijević, 2011; Isac & Remes, 2018).

In addition to this, researchers acknowledge that organizational culture can both contribute to and impede the ability to implement strategies and transformations (Alvesson & Sveningsson, 2008). There are two reasons why an influential culture is valuable: 1) compliance of culture and strategy; 2) increasing the level of commitment of company employees. Both of these factors provide a competitive advantage (O'Reilly, 1989). Beer,
Voelpel, Leibold, & Tekie (2005) stated that to conquer it, the organization’s strategy must be compatible with the environment; meanwhile, the company should open up opportunities consistent with its strategy; learn and change under new circumstances (Beer et al., 2005); the organizational culture provides such an opportunity. The strategy will "return the favour"; strikes back, takes "feasible part": expanding the rights of others while maintaining the level of productivity is the most crucial strategic technique that managers use to create and sustain OC during the crisis (Wilson, 2012).

It is the heads (leaders) who keep their finger on the pulse of this "opposition"; become the driving force behind culture and strategy (Picken & Dess, 1997); strategic decision-making and building OC are among the key competencies leading the way (Brimhall, 2014). Thus, various elements of organizational culture, leadership, and strategy "enter into cooperation" to obtain a synergistic effect (Swank, 2010). Coordination of "levers" of management for the company success is exceptionally essential; its absence very often leads to confusion and malfunctions. The costs associated with the ineffective behaviour of key executives may be unpredictable. A company led by managers who are not aware of the importance of such relationships does not have a long-term future (Beerel, 1998): it’s kind of like going in a vicious circle. OC-based management systems develop strategies and processes that determine business success and can have more severe consequences than individual leadership by key managers (Pool, 2000), when insufficient attention is paid to culture, the strategy effectiveness decreases, which, in turn, leads to a new round of cultural degradation and a decrease in the level of professionalism of a leader.

The converse is also true: the BS and OC, taken together, become practical factors in creating an environment that encourages risk, fosters innovation, freedom, and productivity growth. (Wilson, 2012); long-term targeting and overcoming resistance to changes (Hughes & Beatty, 2003).

They are inevitable. The world has radically transformed – and will undoubtedly continue this trend; unique methods, explosive ideas that have yielded results in the past, cannot extend this success to the future (Collins & Porras, 1995). The amount of new technical information has doubled in less than two years (Cameron & Quinn, 2011). Due to changes in legislation regarding technology sharing, patent rights and information security, the future costs and profitability of companies operating in this field are difficult to predict; the same applies to long-term strategic planning on the Internet, software (Ford, 2002), and all others remaining afloat or vanguard.

The changes' intensity caused by digitalization and globalization opens up scope for new ways of thinking aimed at the sustainable conduct of the company's business for a more extended period. The era of knowledge is being replaced by the age of design thinking, entrepreneurship, and innovation. Critical and creative thinking, communication, and collaboration become priorities in the workplace, at home, in almost every interaction (Istance & Paniagua, 2019). In general, significant changes are the topic that, without exception, affects the interests of individuals, organizations, economies, and societies (Kinicki & Williams, 2016). In fact, transformation is the only thing that is stable in today's turbulent environment (David & David, 2017); we can say it another way: in modern society, there is nothing permanent except change. So, of the one hundred largest companies in the early 1900s, only sixteen are still operational.
These dramatic changes have affected almost every sector of the economy (Cameron & Quinn, 2011). Collins & Porras (1995) cited examples of several, including fairly well-known firms, which, hoping for stability, eventually faced a financial catastrophe or significant reputation losses. Significantly inferior to competitors – if, in principle, have not lost their positions – Zenith, Colgate, Texas Instruments, Columbia Pictures. As a result, the need to solve a pressing problem has become so widespread that change management has become a kind of industry, which includes consulting firms, management and leadership gurus, the media, the business press, senior corporate executives, politicians and business schools (Alvesson & Sveningsson, 2015).

A logical conclusion follows from here: changes and the ability to change are the key features of organizations aimed at long-term progress. Any company wishing to succeed should have a systematic and well-functioning process of innovation management; be able to accept the fact that changes will occur and often repeat (French & Bell, 1999) in a new round.

This idea is entirely supported by the findings of Reeves et al. (2015). Their Strategy Palette is fundamentally different from the theories discussed above precisely in the presence of a renewal strategy, implemented in two stages: the first involves a significant reduction in costs; the second is the investment of savings in innovation and, accordingly, the growth of competitiveness.

The study was based on the following hypotheses:

H1 – there is a connection between certain types of organizational culture (independent variable) and strategies implemented by the company (dependent variable)

H2 – organizational culture determines the implementation of a renewal strategy during a recession.

8 Methodology

An analysis of the theoretical background confirms that with different types of strategies and culture connections types arising between them differ in various degrees of significance. Ahmadi et al. (2012) found that all the culture types studied (Cameron & Quinn, 1999) make a significant contribution to the strategy implementation process; however, the "share "of each component is different. Baird et al. (2007) noted that "visionaries ") (prospector) are more characterized by cultures aimed at achieving results and innovative development, and for "advocates "– aimed at stability.

Naranjo-Valencia et al. (2011) proceeded from the analysis of two opposite strategies: innovation and imitation. Scientists have shown that their relationship with organizational culture exists, but is not unambiguous. For example, in the case of adhocracy and hierarchy, there is a positive influence of the dominant OC characteristics on innovation; at the same time, the second of the considered indicators, human resources management (management of employees), demonstrated results that these groups were not consistent with each other or with the findings of previous studies. At the same time, the propensity to innovate is "gaining momentum "when the organization takes measures to strengthen the team.
The developed questionnaire contained forty-eight questions with four alternative answers. These questions were correlated with issues highlighted by Miles & Snow (1978) related to business, administration, and engineering. Each alternative answer to the question was associated with one of the four strategic types, according to M&S (Prospectors; Defenders; Analyzers; Reactors) and correlated with specific business strategies (Classical; Adaptive; Visionary; Shaping). Most of the answers in one of those four categories were used to indicate the preferred overall strategy for each firm.

To assess the validity of our research, at the first stage, we sent out a questionnaire to ten experts in the field of corporate and strategic management and asked them to evaluate the reliability of our questionnaire and the possibility of its application to achieve the goals of our research. After receiving feedback, we corrected the questionnaire and made a newsletter and opened access to the network.

Data collection has been done from September 2018 to January 2019. In total, 400 questionnaires were sent out (126 received back with answers); 44 personal interviews were conducted; during the month, access to the questionnaire was opened on the Internet (invitations were sent out to participate in the survey to the Facebook profile groups, and the questionnaire itself was posted on www.surveymonkey.ru). 852 "entrances to the questionnaire" were recorded, 391 people completed the questionnaire. As a result, 561 questionnaires were received. Of these, using the mailing forms – 31.5%; interview 100%; With a scowl of users, Facebook 46%. Respondents were mostly men (67%); 1 % of respondents did not indicate gender. The average age was 34 years, at the time of the survey, 34% of respondents were in the range of 18 to 25 years old; 41% – 26-40 years old; 22% – 41-60; 60 and older – 3%; restrictions on the industry are not imposed. On average, respondents have held their positions for nine years. Of the respondents, most attributed themselves to specialists (60%); 23% of participants take leadership positions; 11% work in state bodies; 6% carry out auxiliary activities. Approximately 31% of respondents independently classified their organization as the one that concentrates on current services and markets (defenders); 17% of respondents indicated that their companies are the first to develop/offer new services (prospectors), the rest of the respondents found it difficult to answer. Respondents identified the business strategy of their company by M&S as follows: Prospector – 27.5%; Analyzer – 29.2%; Defender – 23.4%; Reactor –19.9%; BCG determined as follows: Classical – 19.5%; Adaptive– 30.1%; Visionary– 26.3%; Shaping –24.1%.

9 Results

The calculations were based on the generalized typology used by Krupsky (2014a, 2014b) in earlier works (Table 3, 4) and M&S strategy models – BCG.
<table>
<thead>
<tr>
<th>The OC type$^{(1)}$</th>
<th>Characteristic</th>
<th>M&amp;S$^{(2)}$</th>
<th>$R^{(3)}$</th>
<th>BCG$^{(4)}$</th>
<th>$R^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovative (adhocracy)</td>
<td>flexible, open to new ideas; favors the ability to take risks</td>
<td>P 0.76</td>
<td>V 0.812</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>achieving competitiveness is the main purpose of the organization; social responsibility fades into the background</td>
<td>D 0.236</td>
<td>C 0.451</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>personal input and results are recognized as a priority; remuneration is associated with performance indicators, rather than working experience</td>
<td>A 0.591</td>
<td>V 0.632</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agressive (rational)</td>
<td></td>
<td>R -0.212*</td>
<td>S 0.849</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resultorien ted</td>
<td></td>
<td>D -0.041</td>
<td>C 0.03</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stable (hierarchical)</td>
<td>adherence to rules, maintaining the status quo</td>
<td>P 0.637*</td>
<td>V 0.748</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directional perperson</td>
<td>focused on the rights, privileges, comfort, interests, respect and dignity of employees</td>
<td>D 0.639</td>
<td>C 0.686</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Command (group, clan)</td>
<td>special attention is paid to cooperation, interchangeability, exchange of knowledge and experience, readiness to assist</td>
<td>A 0.379</td>
<td>Ad 0.496</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subject-oriented</td>
<td>concentrates on accuracy and respect for the details of the business process</td>
<td>D 0.752**</td>
<td>C 0.684</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Informal</td>
<td>greater attention than others is given to ceremonies, rituals, stories, less attention to strict rules</td>
<td>P 0.317</td>
<td>V 0.509</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>gives preference to roles, procedures, rules; guided by the mission; articulates the expectations associated with the capabilities of the individual</td>
<td>D 0.462</td>
<td>C 0.557</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Formal</td>
<td>based on the support of unhealthy competition, the rejection of the desire to have and defend their own opinions, make decisions</td>
<td>A 0.314</td>
<td>Ad 0.33</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dysfunction al</td>
<td>occurs in organizations where they try to simultaneously achieve several, often conflicting goals</td>
<td>D 0.297</td>
<td>S 0.081</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soft</td>
<td>unlike soft, does not aim to ensure the well-being of staff; penalties for failing tasks and mistakes are tough;</td>
<td>P 0.317</td>
<td>V 0.231*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hard</td>
<td></td>
<td>R -0.041</td>
<td>C 0.03</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$^{(1)}$ Indicates the type of organizational culture.

$^{(2)}$ M&S: Mark by Sloan.

$^{(3)}$ R: Squared Coefficient of Determination.

$^{(4)}$ BCG: Boston Consulting Group.

*S: Significant at the 0.05 level.

**S: Significant at the 0.01 level.
reward – deserved and obligatory

distinguished by a high level of professionalism of staff who are not inclined to change jobs

constantlly faces the turnover of (mostly young) personnel, in search of new knowledge and sensations, traveling from company to company; focused on the implementation of projects

(1) typology compiled in accordance with Schein, 1985; Divan, 2012; Marchand, Haines, & Dextras-Gauthier, 2013; adapted, supplemented and calculated by the authors
(2) Prospectors – P; Defenders – D; Analyzers – A; Reactors – R
(3) $R^2$ – Pearson’s $r$
(4) Classical – C, Adaptive – Ad, Visionary – V, Shaping – S

$\rho$-Value < 0.10 * $\rho$-Value < 0.05 ** $\rho$-Value < 0.01

Source: Authors calculations

The data in table 3 confirm a correlation connection of different significance degrees a strong, reliable positive correlation is highlighted in the table with a darker colour of values and filling. For $\rho$-Value < 0.10, a relationship between

- innovative culture and strategies Prospectors (0.76), Visionary (0.812), Shaping (0.849);
- result-oriented culture and strategies Analyzers (0.791), Visionary (0.748), Shaping (0.743);
- subject-oriented culture and Defenders (0.743);
- Hard culture and Adaptive strategy (0.711);
- Academic Culture and Classical Strategy (0.804).

Based on the results of the research, we can assume that there is a relationship between OC and the strategy, but the data reliability level ($\rho$-Value < 0.10) does not fully confirm or refute the hypothesis that there is a connection between the type of OC and the business strategy, because, with a 10% probability, we can argue that the connection may be random. While $\rho$-Value < 0.05 and $\rho$-Value < 0.01 confirm the error minimum probability and allow confirming a non-random connection between OC and BS.

For $\rho$-Value< 0.01, a relationship was found between

- a culture focused on stability and hierarchy and Defenders strategy (0.752),
- Command culture and Shaping strategy (0.861),
- the formal culture and Classical strategy (0.706).

For these types of cultures (Stability, Team, Formal), there was obtained a mathematically reliable, secure connection with the corresponding strategies (Defenders, Shaping, Classical). At this stage of the research, such a significant relationship can be explained by the fact that the philosophy of cultures corresponds to the philosophy of strategies. So, the culture of stability means "protection "of the positions that the enterprise takes at the moment, and it is not surprising that it is correlated with a high degree of certainty with the Defenders strategy. Command culture facilitating cooperation, mutual assistance, interchangeability, the exchange of knowledge and experience is only possible in an
environment that involves interested cooperation and reliance on both the external and internal environment of an enterprise, and this condition is satisfied only by the Shaping strategy philosophy, where we observe a correlation with $\rho \cdot \text{Value} < 0.01$. Formal culture, based on the classical hierarchy and assessment of human capabilities, is maximally feasible (comfortably developing) within the Classical Strategy framework when stability is considered as predictability and planning and competitive advantages as advantages of size, differentiation, or competency.

No stable relationships were found for $\rho \cdot \text{Value} < 0.05$.

"Reactors" confirmed their "inability" (possible unwillingness) to make strategic decisions: for the majority of OC types, they demonstrated a lack of communication. Its greatest value ($R^2 = 0.433$) is observed with a dysfunctional organizational culture (according to the responses of the questionnaire, 7% of respondents considered OC of their enterprises to be such; 100% recognized the actions of managers as ineffective and called them the main cause of failure).

The main difference of the Shaping strategy (as mentioned earlier) is its use within the business ecosystem; which, according to the theory founder, Moore (1999), "crosses many industries. In the business ecosystem, companies jointly develop opportunities around a new innovation: they work together and on a competitive basis to support new products, meet customer needs and, ultimately, implement the next round of innovation "(at this stage, the idea of an ecosystem is recognized as one of the most economical promising in terms of business development as such). This study showed that associations using Shaping are likely to have innovative ($R^2 = 0.849$, the maximum of the obtained values) or clean ($R^2 = 0.861$) cultures.

Regarding the fifth strategy (Renewal), where, according to the authors, there is a fundamental difference between the BCG model and the M&S typology discussed in the scientific literature earlier, it can be stated that the respondents’ answers allowed them to draw interesting, somewhat predictable conclusions. First of all, it should be noted that 39% of the respondents worked in companies that had survived the 2008 crisis (the reason was a global recession); 54% – decline in production in 2014 (unstable foreign policy situation). As a result, 94% of the companies’ employees who have ever experienced difficulties caused by various macro and micro factors stressed that their company faced a significant reduction in costs (Phase I of the Renewal strategy).

However, this BS involves two stages: a simple transition to the economy mode can help the company to stay afloat, but not remain competitive and develop (the already mentioned 94% indicated that 69% of companies were able to cope with the problems as a result of the measures taken; move to a new stage of development – only 43%; of the latter only 2% did not create a special reserve fund for the implementation of subsequent changes). At the same time, 89% of employees of enterprises that have been operating and confirm the growth of indicators over a period of more than ten years (26% turned out to be such) were convinced that the secret of their organization’s success lay in the application of new technologies (from the survey it follows that more often there are changes to the existing product (34%), to the production process (28%) and management (23%). Further analysis also confirmed that the type of organizational culture (Table 4, hypothesis H2) has a definite influence on the choice of a course for innovation (implementation of the "II phase").
So, the leader in terms of $R^2$ was adhocracy (0.704); in the second place was a result-oriented culture (0.623), in the third – a rational (0.569). The most “incapable” for the introduction of innovative solutions were dysfunctional (-0.178), free (-0.24) and mild (0.14) OC (it should be added that among enterprises that survived the recession in 2008 and in 2014 there was not a single dysfunctional culture; 3% can be attributed to “free”; 1.4% – to “soft”). Considering innovation as a vital element of the update strategy, we can say that OC is not the dominant factor in determining the level of a company’s readiness to introduce innovations, although it forms an attitude towards innovation in general.

However, for ecosystem participating organizations (19%), these figures were slightly different. In particular, for organization with a culture with the Shaping strategy is most characteristic, the relationship was more significant for adhocracy ($R^2 = 0.799$), rational ($R^2 = 0.695$), result-oriented ($R^2 = 0.715$), command ($R^2 = 0.579$) culture; less significant changes were noted in subject-oriented ($R^2 = 0.501$), stable ($R^2 = 0.464$), academic ($R^2 = 0.363$), solid ($R^2 = 0.275$) cultures.

<table>
<thead>
<tr>
<th>OC type</th>
<th>$R^2$</th>
<th>OC type</th>
<th>$R^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation (adhocracy)</td>
<td>0.704</td>
<td>Informal</td>
<td>0.226*</td>
</tr>
<tr>
<td>Aggressive (rational)</td>
<td>0.589*</td>
<td>Formal</td>
<td>0.196</td>
</tr>
<tr>
<td>Result oriented</td>
<td>0.623</td>
<td>Dysfunctional</td>
<td>-0.178**</td>
</tr>
<tr>
<td>Stable (hierarchical)</td>
<td>0.451</td>
<td>Soft</td>
<td>0.14</td>
</tr>
<tr>
<td>Aimed at the person</td>
<td>0.248</td>
<td>Hard</td>
<td>0.263</td>
</tr>
<tr>
<td>Command (group, clan)</td>
<td>0.53**</td>
<td>Academic</td>
<td>0.354</td>
</tr>
<tr>
<td>Subject-oriented</td>
<td>0.497</td>
<td>Free</td>
<td>-0.24</td>
</tr>
</tbody>
</table>

$p$-Value < 0.10    * $p$-Value < 0.05    ** $p$-Value < 0.01
Source: authors

**Conclusions**

Organizational culture is an asset which absence makes it impossible to successfully implement the strategy (Ahmadi et al., 2012; Pirayeh, Mahdavi & Nematiqor, 2011; Ouchi, 1981; Awino et al., 2018) and for a company to survive (OlivaresFarías, 2013) in general. Accordingly, the OC should be evaluated in terms of its role in strategic planning (Bushardt, Glascoff & Doty, 2011). Efficiency and BS, and OC significantly increase when the short-term and long-term goals underlying the strategy, meet the values, rules, principles, mission (it primarily depends on the choice of the strategic direction of development, goals and vision, directly related to organizational results (performance) (Lousâ, & dos Santos Mendes Mónico, 2018.) Therefore, it may be crucial for a company to change cultural conditions before choosing one strategy or another (Yarbrough et al., 2010). This may concern the choice of the culture type that will most successfully implement the strategy, since the existence of a relationship between these variables has already been proven (Naranjo-Valencia et al., 2011; Lund, 2003).

This paper is precisely focused on the relationship of individual types of organizational culture and strategies. The analysis and the results obtained, in particular, allowed the authors to clarify the definitions of organizational culture in the broad sense (Krupsky, 2014a). OC is a culture that:
1) determines general laws of cognitive interpretations or collective perceptions of actions, thoughts, decisions,

2) inspires, motivates, provides emotional comfort and a sense of security and, as a result, employee commitment; creates and implements a model of behaviour adopted in organizations,

3) develops an identification system, sets boundaries that allow separating members of the organization from those who do not have a direct relationship to it,

4) determines the style of management of daily activities, controls over the course of the production process; prevents conflicts and problems; promotes the involvement of employees in the process of formulating and implementing strategies that are most effective under existing conditions and that meet the basic principles of the organization.

In a narrow sense, the author proposes to consider organizational culture as a tool to improve the organization competitiveness by creating an atmosphere of justice, responsibility, cohesion, commitment to the mission and focus on results.

In addition, the study confirmed that:

1) there is a correlation between certain types of organizational culture and strategies developed and implemented by a company, which suggests the degree of supportiveness/inertia of the OC existing in the company by introducing changes to available business strategies,

2) the implementation of the Renewal strategy in full (2 stages) during a recession substantially depends on the OC type, and the participation of a company in the ecosystem will positively affect the organization's decision to resort to innovation, which, in turn, may entail changes in the OC and BS. That is, the organizational culture can promote a positive attitude towards changes at the level of personnel cultural patterns, but it is not decisive in deciding whether to make changes.

Under such conditions, an important task for managers will be timely response to changes; taking measures to adapt OC and decisions about whether this adaptation will be gradual or revolutionary; developing rules to meet new business conditions and prevent undesirable consequences (Bushardt et al., 2011). Ideally, the leader should clearly understand what and how available OC influences the ongoing changes in the business processes of a company, which will avoid a confrontation in the perception of what is happening between the managers and personnel of the company.

The obtained data can be considered as guidelines for further research in the interconnection and mutual influence of OC and BS, which is especially relevant in the era of the digital economy when traditional cultural perceptions face changes in work behaviour and space all around the world.

**Limitations**

Researches without certain restrictions practically do not happen. Firstly, "nothing happens in isolation" (Gummesson, 2006); Any object is influenced by a large number of factors that cannot be predicted or simply considered in full. Secondly, when it comes to analyzing the data collected as a result of the survey, the task is complicated by the need to take into account the diversity of experience, perception and interpretation by individuals of certain
events, information, decisions; the absence or presence of respondents' ability to see causal relationships, draw appropriate conclusions, exclude emotions; the possibility of significant changes in them over time, under the pressure of circumstances.

All this turns out to be essential even in case of an attempt to assess the effectiveness of the material resources use; it becomes much more significant when analyzing concepts that describe different aspects (classification, economic value, components) of intangible resources.

The latter includes both organizational culture and strategies. Their types are not once rigidly and permanently established. At the time of assignment to a particular type, a certain element of the subjectivity of a particular respondent's opinion is possible. In addition, in the same organization, it is possible both the simultaneous coexistence of different subcultures and the change in OC as a whole over time (to bring it, for example, into line with the updated BS). Such subtleties are simply impossible to take into account in a single study. There will be subsequent authors' work devoted to them.

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The research paper passed the review process. | Received: December 9, 2019; Revised: March 17, 2020; Accepted: March 31, 2020; Published: September 30, 2020.