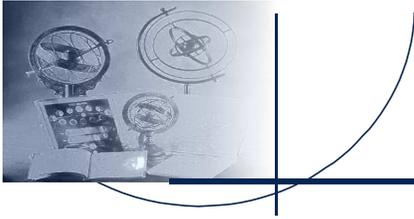


**Núcleo de Liderança**

**RELATIONSHIP BETWEEN ORGANIZATIONAL  
CULTURE AND INNOVATION MANAGEMENT: an  
exploratory investigation**

**Prof. Léo F. C. Bruno  
Dom Cabral Foundation, Brazil  
E-Leader Croatia June 2011**



## FIVE TYPES OF VALUE ORIENTATION

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- 1. The economic person** is primarily oriented toward what is useful. He is interested in the practical aspects of the business world; in the manufacture, marketing, distribution and consumption of goods; in the use of economic resources; and in the accumulation of tangible wealth (protestant ethics). He is thoroughly "practical" and fits well the stereotype of the businessman.
- 2. The theoretical person** is primarily interested in the discovery of truth, in the systematic ordering of his knowledge. In pursuing this goal he typically takes a "cognitive" approach, looking for identities and differences, with relative disregard for the beauty or utility of objects, seeking only to observe and to reason. His interests are empirical, critical, and rational.
- 3. The political person** is oriented toward power, not necessarily in politics, but in whatever area he works. Most leaders have a high power orientation. Competition play a large role during all his life. For some men, this value is uppermost, driving them to seek personal power, influence, and recognition in a continuous basis.
- 4. The aesthetic person** finds his main interest in the artistic aspects of life, although he need not be a creative artist. He values form and harmony. He views experience in terms of grace, symmetry, or harmony. Lives the here and now with enthusiasm.
- 5. The social person** is primarily oriented toward the well-being of the people. His essential value is love of people – the altruistic or philanthropic aspect of love. The social man values people as ends, and tends to be kind, sympathetic, and unselfish.

Figure 1 – Personal Values Definition

*Material preparado e de responsabilidade do professor Léo F. C. Bruno*

*Source: Adapted from Guth and Tagiuri (1965).*



# CULTURAL MODEL USED

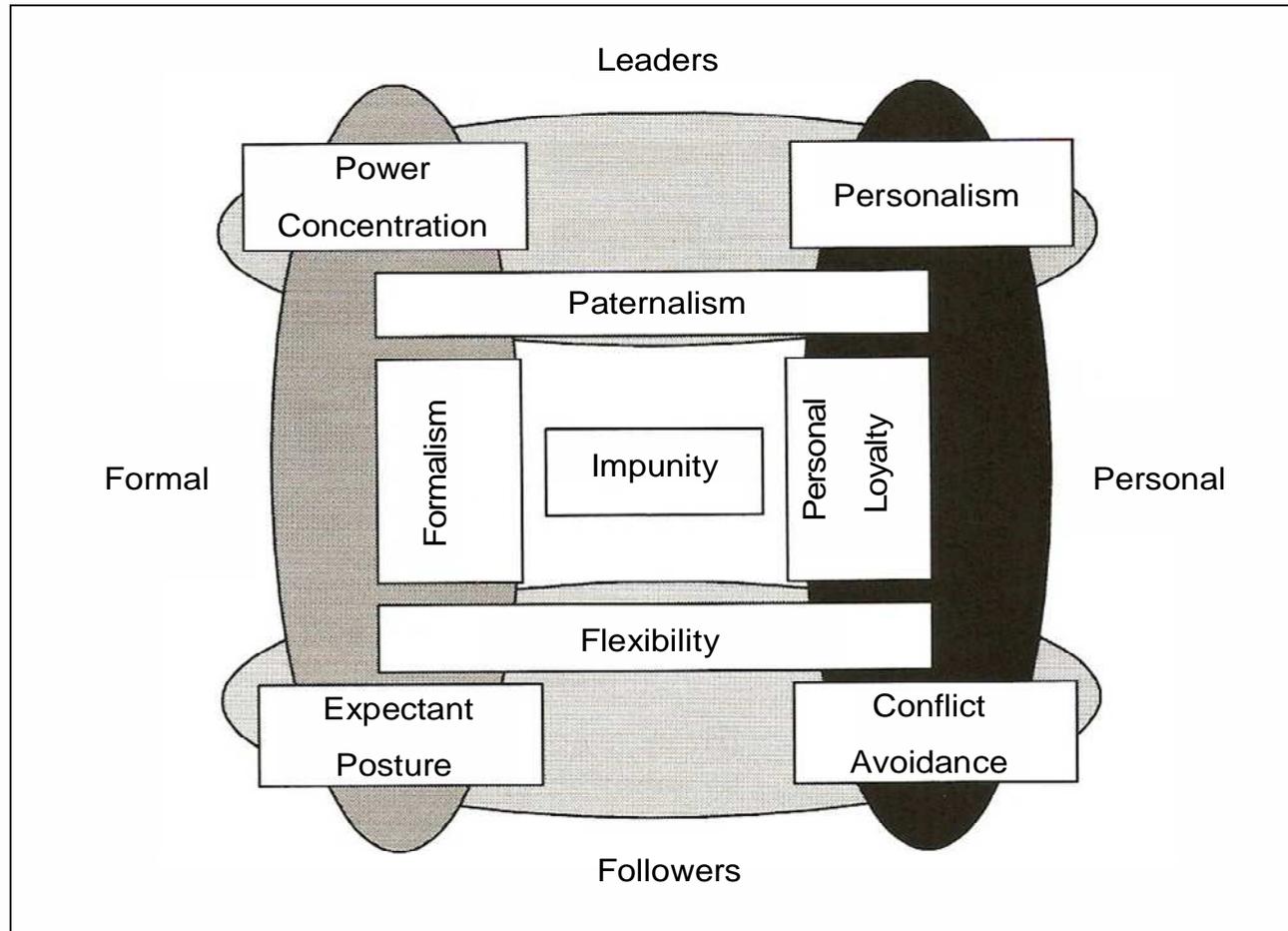


Figure 2 - An integrated vision of the proposed model Cultural Action System



# VALUE INNOVATION DEVELOPMENT MODEL

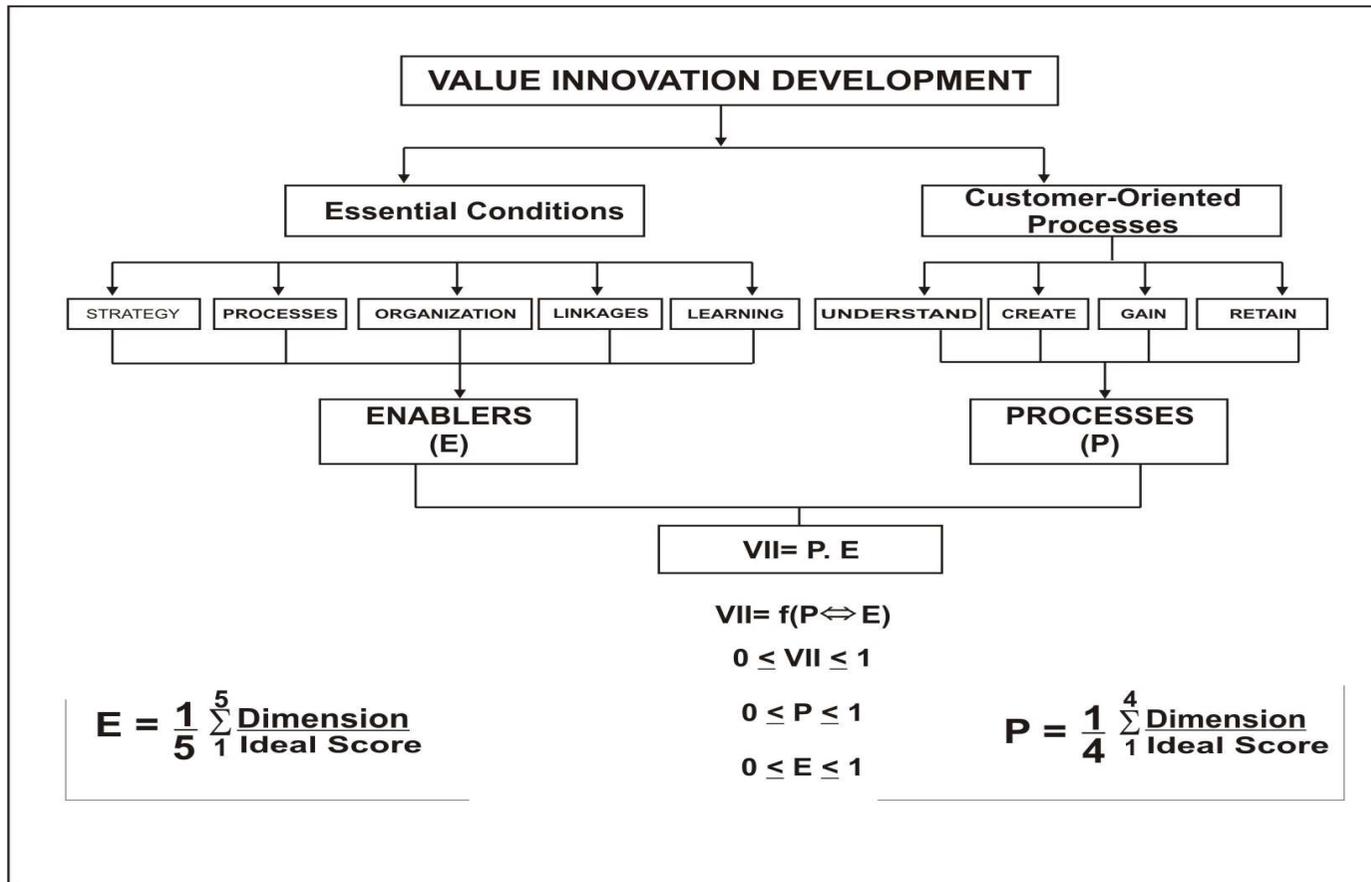
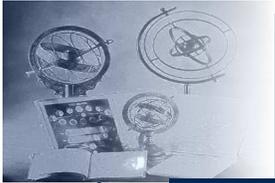


Figure 3 – Value Innovation Development Model Framework



# VALUE INNOVATION DEVELOPMENT MODEL

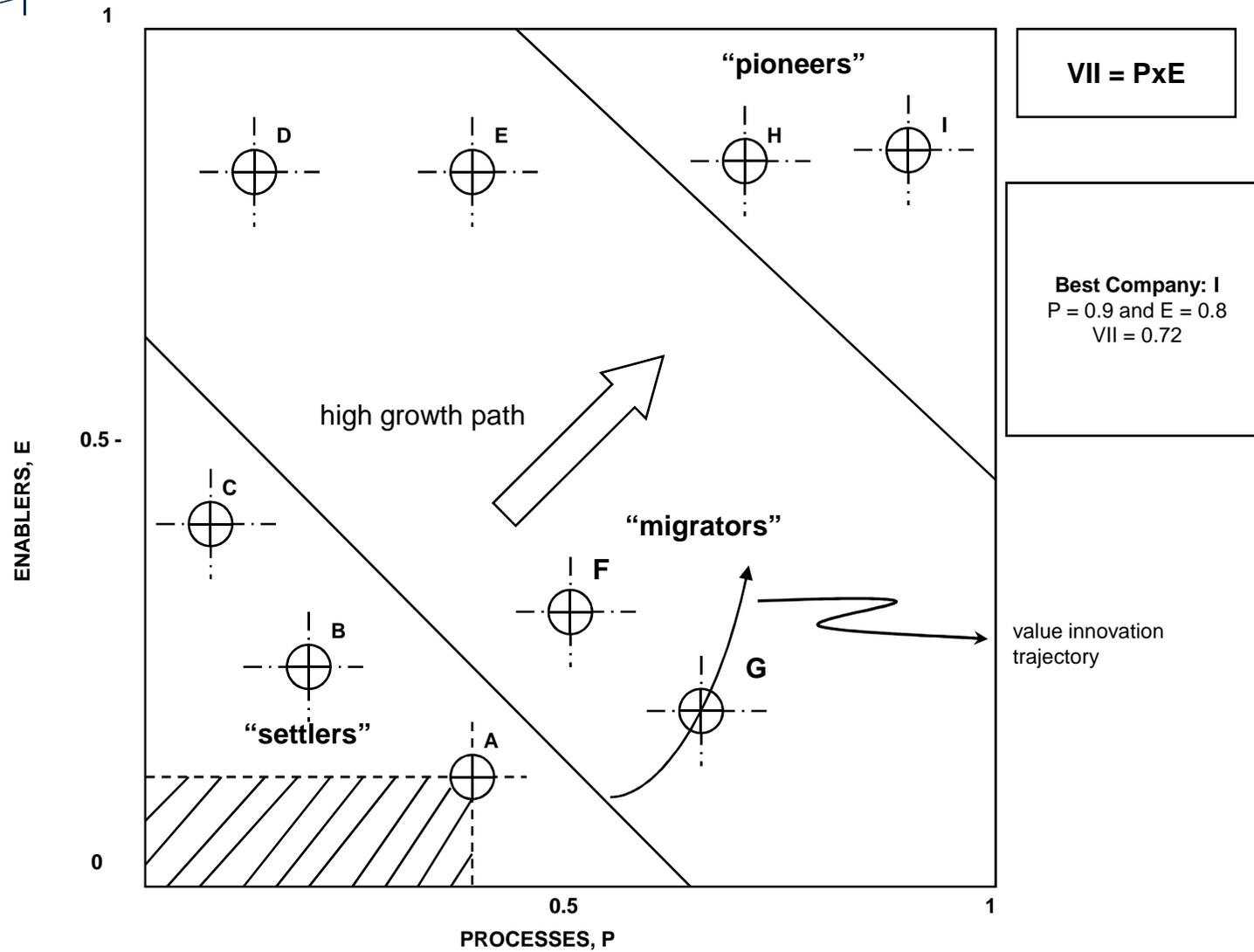


Figura 4 - Gráfico



# VALUE INNOVATION DEVELOPMENT MODEL

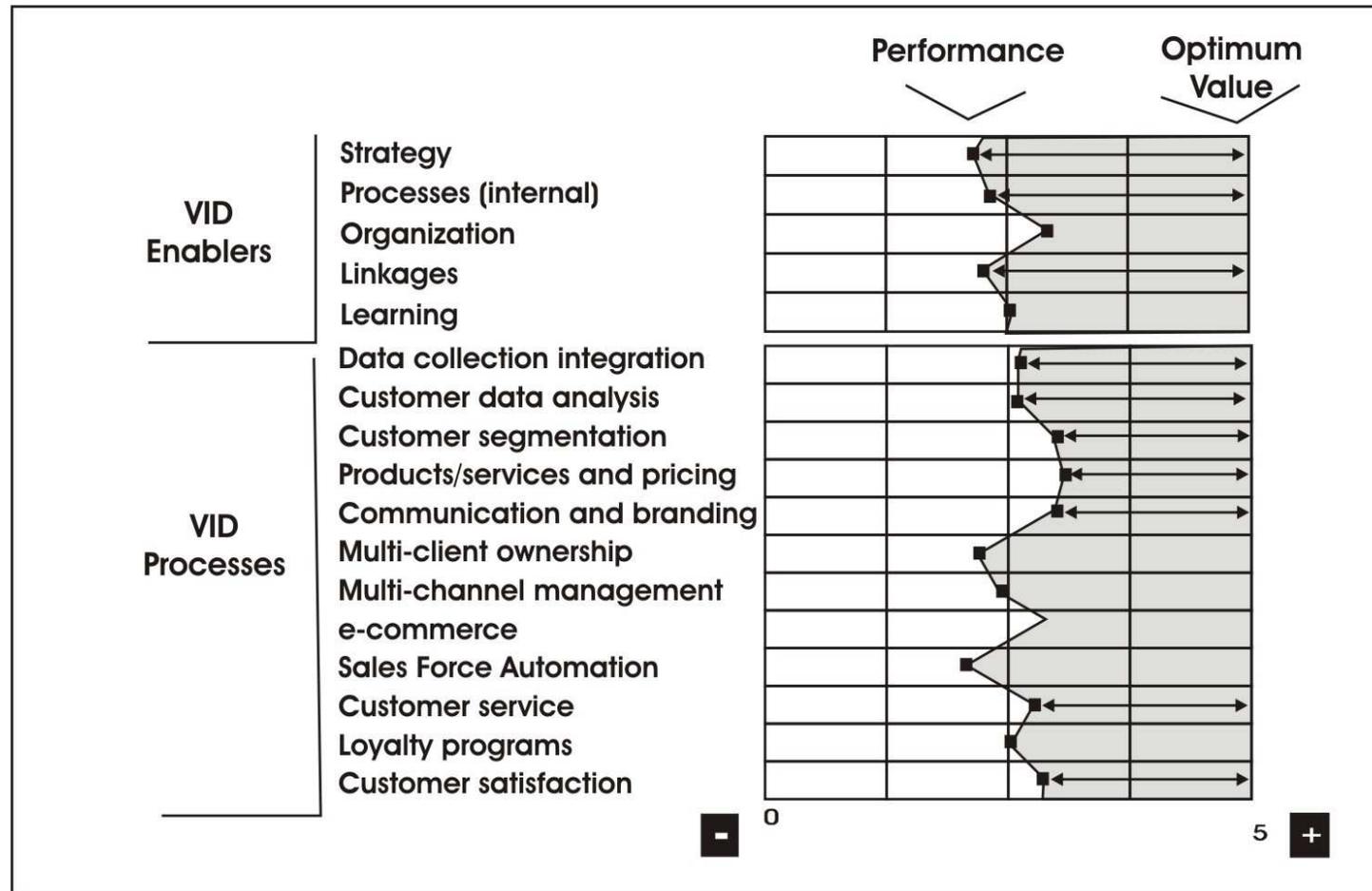
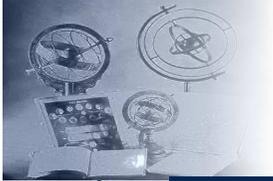


Figure 5 – Gap analysis by dimension



# RESEARCH QUESTIONS

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The study sought to answer the following research questions:

1. What is the personal values profile of the executives involved in the research?
2. What is the personal values balance of these executives?
3. What is the cultural profile of the researched organizations?
4. What is the cultural adequacy index of these organizations?
5. Is there a relation between the executives' personal values balance and the cultural adequacy index of their organizations?
6. Is there a relation between executives' personal values balance and the value innovation index of their organizations?
7. Is there a relation between cultural adequacy index and the value innovation index of these organizations?



# METHODOLOGY

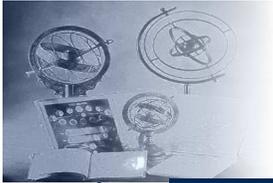
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## Sampling

It has been randomly selected 400 executives involving 48 organizations, encompassing medium and large size ones. Most of them were manufacturing companies in the fields of consumer electronics, two-wheel vehicles, and cell phones. The majority of the executives were Brazilians (366) and some foreigners (34), being 142 females and 258 males with ages varying from 28 up to 48.

## Data Gathering

Four instruments were applied: two of Likert type – Personal Values and Organizational Culture, and two of Facts Diagnosis – Innovation (Enablers and Customer-Oriented Processes).



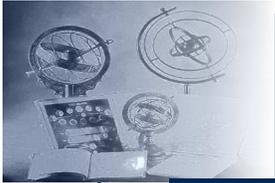
## FINDINGS AND ANALYSES

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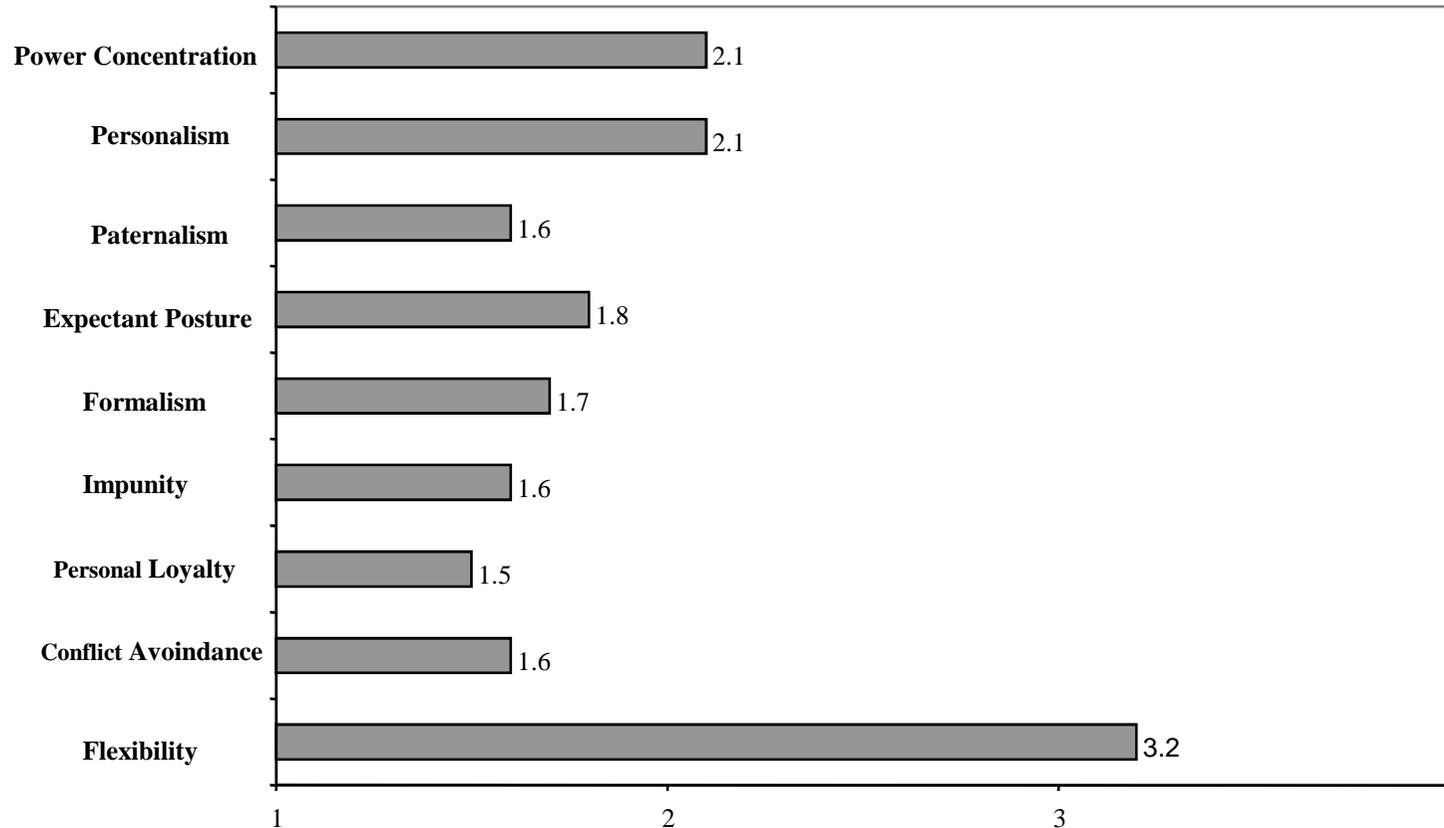
### Value Orientations of a Sample (400) of Brazilian Executives

Value	Score
Theoretical	13.26
Economic	13.04
Social	11.90
Aesthetic	11.52
Political	10.28

The average personal values balance for the total sample is 40%



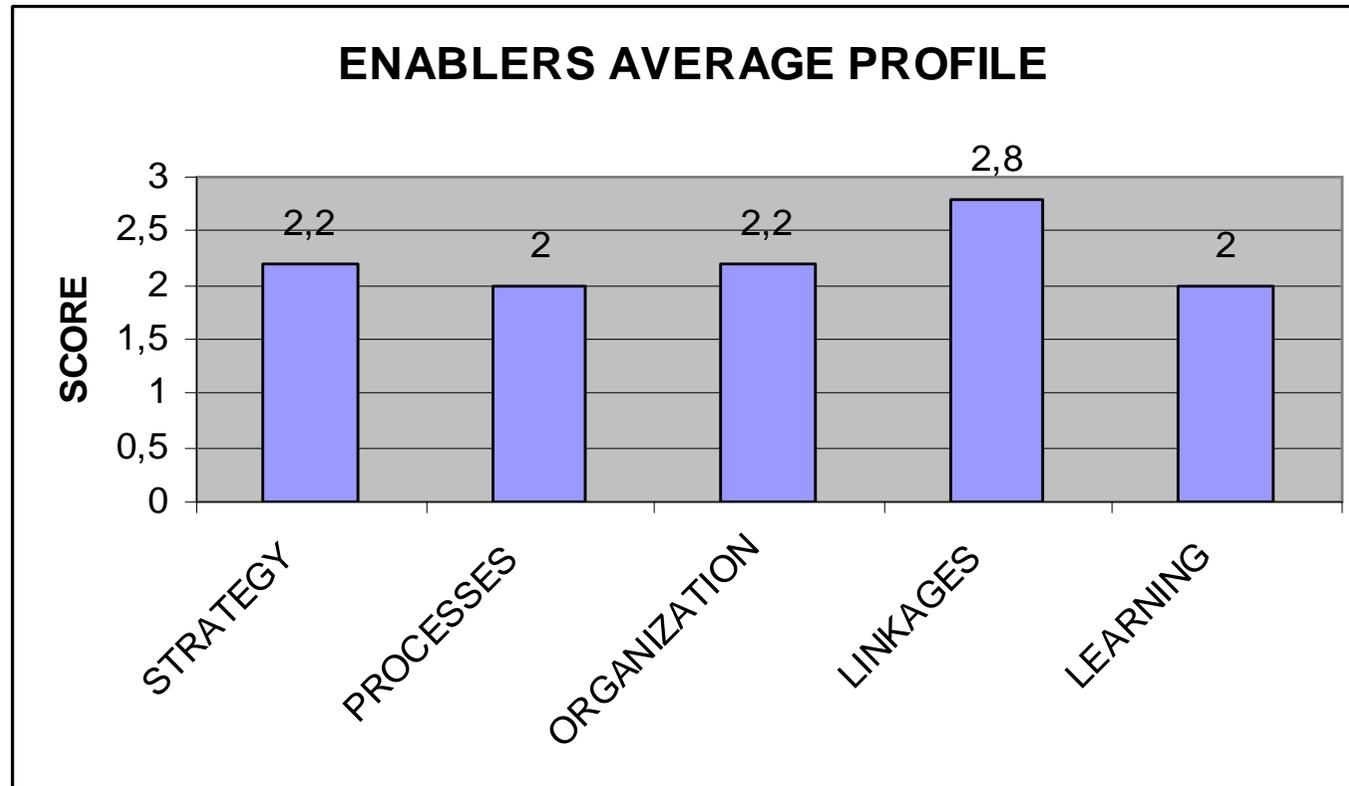
## FINDINGS AND ANALYSES



Executives' attitudinal profile by dimension  
Cultural Adequacy Index = 78%

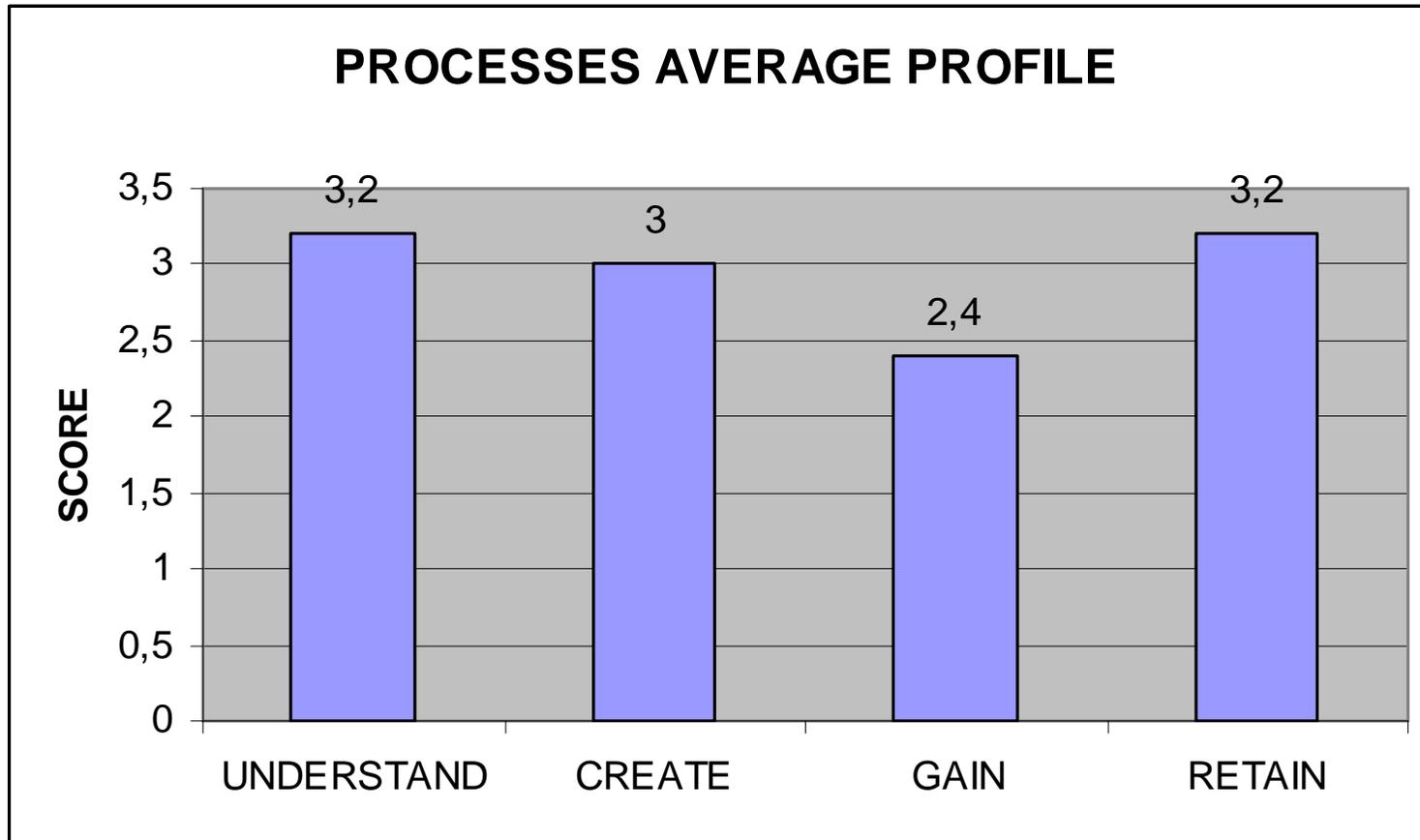


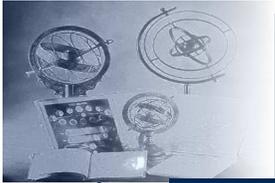
## FINDINGS AND ANALYSES



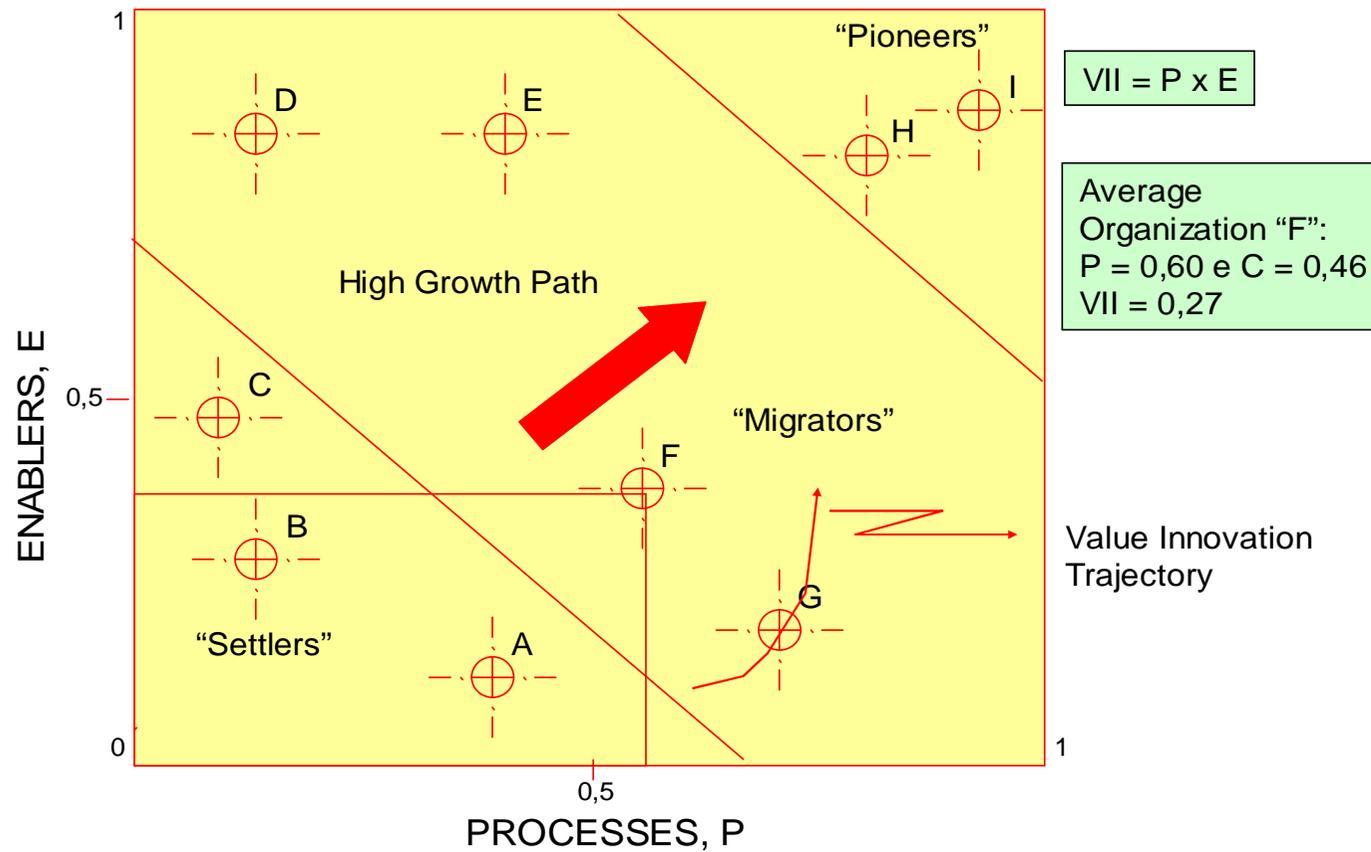


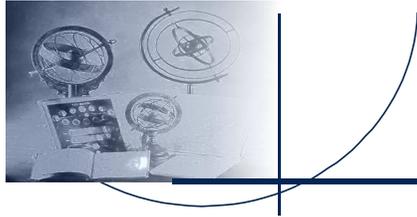
## FINDINGS AND ANALYSES





# FINDINGS AND ANALYSES





# FINDINGS AND ANALYSES

Nbr.	SECTOR		E	P	VII	PVB (%)	CAI (%)
1	Health Care	O 1	0.44	0.08	0.03	0	44
		O 2	0.55	0.24	0.13	20	55
		O 3	0.65	0.24	0.15	20	55
		O 4	0.62	0.40	0.24	40	66
2	Paper & Packing	O 5	0.63	0.45	0.29	80	77
3	Mechanical Parts	O 6	0.30	0.05	0.02	0	44
4	Electrical Parts	O 7	0.45	0.65	0.30	40	55
		O 8	0.71	0.39	0.27	60	77
		O 9	0.29	0.49	0.14	20	44
5	Transport/Logistic	O 10	0.56	0.65	0.36	60	66
		O 11	0.53	0.50	0.26	40	55
		O 12	0.34	0.25	0.08	0	44
		O 13	0.65	0.55	0.36	60	66
6	Consumer Electronics	O 14	0.60	0.65	0.39	40	67
		O 15	0.65	0.65	0.42	60	77
		O 16	0.48	0.70	0.34	40	55
7	Vehicles	O 17	0.49	0.22	0.11	40	44
8	Virgin Media	O 18	0.63	0.62	0.39	60	77
		O 19	0.60	0.69	0.41	60	78
		O 20	0.63	0.77	0.49	80	66

Linear Correlations: PVB x CAI = + 0.71  
 PVB x VII = + 0.81  
 CAI x VII = + 0.77



## CONCLUSIONS AND RECOMMENDATIONS

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The study has shown a large space for improvements as far as innovation, of all kinds – process, systems, products, services, management and ways of doing the businesses, is concerned. These improvements are largely related with executives' attitudes and behaviors, having an adequate balance in their personal values and creating cultural environments that enhance the involvement and effective participation of all the stakeholders of the organization.



## CONCLUSIONS AND RECOMMENDATIONS

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### **Specific**

The samples used in the study were rather small, therefore any extrapolation from the results of the research must be done with caution.

Additional researches of the same nature involving larger sample sizes and conducted in other cultures are highly recommended.