Adapting a corporate culture to the changing circumstances - cultural change through social media

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The increasing use of social networks demands a significant change in corporate culture. The fact that more and more people are networked and that everyone can send and receive messages anywhere and at any time requires a break in the behavior of a company, in which all employees have to be involved. A long-term competitive advantage can only be achieved through a consistency between corporate culture and corporate strategy. The central challenge will be to become familiar with this new starting situation and to accept it.

Introduction

In addition to the development of marketable products, an attractive pricing policy and the creation of an efficient distribution system, the objective of sales-oriented processes is, above all, the orientation of a success-oriented company communication. Against a backdrop of increasing competition, it is becoming increasingly important for companies to achieve and maintain competitive advantages in the market through successful communication work (Bruhn 2014a, p. 3). Communication means the transmission of information and meanings for the purpose of controlling opinions, attitudes, expectations and behaviors of certain addressees according to specific objectives. Under the communication policy all decisions are directed to the design of the communication. Communication policy is concerned with all the communication tools and measures of a company that are used to present the company and its services to the company’s target group (Bruhn 2014b, p. 199). The communication policy includes measures of market-oriented, external communication and internal communication. The concept of enterprise communication is the sum of all the communication tools and measures of a company that are used to present the company, products and services to the relevant internal and external target groups of communication. When communication is addressed by and in companies, this is inevitably taking place in an environment characterized by corporate culture (Stein 2009, p. 1219). In order to clarify the influence of social media on company culture, the concept of corporate culture must be defined.

1 Definition of corporate culture

Within the framework of corporate culture, the basic idea is that every company develops a special culture for itself and thus represents an independent cultural community with its own distinctive conceptual and orientation patterns. Each company has an individual development process. Corporate culture is presented as the totality of common norms of value and norms, a shared pattern
of thought and behavior, which characterize the decisions, actions and activities of the organizing members (Heinen and Dill 1990, p. 17). It is the totality of all norms, values and attitudes which characterize the behavior of the employees of all levels and thus the appearance of a company (Pümpin, Kobi and Wütherich 1985, p. 8). It is the prerequisite for a corporate identity. Corporate culture is the implicit awareness of a company that results from the behavior of the organization’s members, and vice versa, as collective programming controls its behavior. Corporate cultures have a wide range of effects on an organization. Strong cultures can promote the implementation of strategies and concepts and contribute to stable economic development. Companies with strong corporate cultures often lack openness to change and a critical self-image. This, however, is the prerequisite for asserting itself in the changing conditions of competition. Corporate culture should have a balance between preservation and change elements that is appropriate to the specific environmental dynamics. An enterprise culture must grow, be proven and developed. In this way, they can promote the implementation of strategies and concepts and contribute to a stable economic development. All company cultures have common core elements, although they are unique:

- Implicit phenomenon – Company culture is not directly observable in a company, since it does not exist physically. Culture can be derived indirectly as a shared and represented conviction. There is an informal and an unofficial mediation, although there is usually a high degree of dissemination of company principles or guidelines (Macharzina 1995, p. 207).
- Corporate culture is lived and learned – Corporate culture presents a pattern of orientation, which, as a self-evident assumption, deeply influences everyday activities. The cultural tradition is not learned by itself, but is conveyed to the new company members in a socialization process through a series of mechanisms. This learning process, which takes place in the subconscious mind, can take some time.
- Community context – Corporate culture can be seen as a collective phenomenon because it affects the actions of each individual. Organizational action becomes more homogeneous since the individual refers to common orientations or values.
- Result of a learning process – Due to the experience with the environment and internal coordination, corporate culture can arise within this learning process. Through experience, the company develops a self-understanding of specific problems. An employee has an idea of how the thing should happen and can judge on the basis of the experiences, whether a thing is good or bad. The classification of problems creates a pattern of orientation to which one can rely. It is to be assumed that every corporate culture has its own development history based on own experience. The beginnings of a culture have often been unconsciously shaped by great personalities, that means, they have largely influenced the future perceptions and action patterns of the company members by their specific actions (Macharzina 1995, p. 208).

The corporate culture influences the behavior of the members internally and externally in a sustainable manner and thus shows concrete effects on the actions of individual members and, as a consequence, of the whole company.

2 Cultural change through social media

A long-term competitive advantage can only be achieved through a consistency between corporate culture and corporate strategy. The stronger the corporate culture is in its intended cultural expression, the more targeted is the communication between and in companies (Stein 2009, p. 1224). In addition to their strategies, many companies must adapt their corporate culture to the changing circumstances, so that new processes and requirements can be implemented quickly (Lindinger and Zeisel 2013, p. 137). Corporate culture represents the basic values that have led to the company’s success. It is the result of a common successful past. In practice, the subject of corporate culture is presented in three typical situations (Peer 2007, p. 85):

- Firstly, when culture changes within the framework of a change process.
• Secondly, because of a new strategic orientation, if a company wants to stand out from its competitors by means of a strong culture. In this case, the cultural change is not only means, but also the purpose of the change.
• Thirdly, the cultural issue is fundamentally in cross-country and cross-sector cooperation in companies as well as in co-operation between the Group and subsidiaries.

The use of social media marketing can contribute to the long-term success of the company, but it is also associated with risks, which are described in more detail below. Many companies still refuse to use the social media because they are afraid of a loss of control over their communication and performance. It is fair to say that companies have long since lost control through the diverse possibilities of Web 2.0 (Kreutzer 2014, p. 27). The messages of the broadcasters as well as the reactions of the recipients to the published messages are not, or only to a limited extent, controllable (Bruhn 2014a, p. 1041). The responses of the people in the social web can thus neither be predicted in a controlled manner nor reliably predicted. To trigger and use viral effects, control must be given. However, this creates a certain incalculability, since here the basic characteristics and forces of social media – the relationship and the exchange between humans – work.

The loss of control is new and unfamiliar to companies, as the medium social media is separated from the previously used controllable advertising channels (Neumann 2010, p. 28). It is also important to note that a shitstorm cannot be avoided by not being present in the social media. A presence there facilitates the start of a shitstorm. However, as an enterprise, one also has an established channel to face the attacks (Kreutzer 2014, p. 28). A shitstorm is the avalanche-like occurrence of negative criticism against a person or a company in the social media up to the abuse of criticism. It is a storm of indignation, which is partly accompanied by insulting utterances. Another risk is criticism by the users who are bombarding the company. A company is vulnerable, as it opens up to the customer’s social network and thus calls for dialogue. However, this is intended to make the brand a topic of discussion. Not only praise and positive comments can be produced. The responsible persons should be aware of this beforehand and develop a plan to appropriately respond to criticism. Opportunities result from positive as well as negative criticism for the company. A company is motivated by praise and encouraged to continue the path already pursued. Negative criticism should be gratefully accepted as a piece of advice, since honest expressions give an opportunity to improve and innovate (Neumann 2010, p. 28). Eventually, any business comes into the situation that users write critically about the company, its products or services. In this case, it is important to deal with the criticism correctly in terms of time, style and content. Negative feedback in the social web can be roughly classified into the following categories (Wolber 2012, p. 191):
  • Normal Problem – Someone has a problem with a product or service and he needs quick help. Feedback of this type is negative because it puts the company in a bad light, but it can help in uncovering actual problems.
  • Constructive Criticism – contains a suggestion. The customer expresses suggestions for improvement for products or services.
  • Authorized attack – A customer attacks the company because it has done something wrong. Often there is a lack of support, poor service or a binding response to problems and questions of the trigger for emotional reactions.

In general, if negative feedback is given, it is necessary to decide which reaction is required. The reaction to criticism, even to unjustified ones, must be positive and constructive in order not to lead a public dispute. Whether the response is a personal or a public message depends on how common the problem is and how many customers have already reported. Regardless of this, corrective actions should be initiated according to a fixed scheme, which informs the customers (Wolber 2012, p. 192). For an acceptance in the social media, it is important to achieve a high credibility as a communicator. For this reason, employees who work in the company’s name should make their
3 Changed organizational structure

Social media is less technical than rather cultural within an organization. Often there are friction points between the cultural requirements of social media and the culture in the company. Compatibility is not automatic: proprietary knowledge, strict hierarchies, top-down communication and classical media structures are still predominant in the company and are opposed to transparency, realtime, dialogue orientation and participation. This makes it clear that social media cannot automatically interfere with and change corporate culture. Rather, the culture and structure of a company must change and promote openness, transparency and networking. More demanding than solving technical problems are the increasing demands on internal communication. It must grow with the new technologies and at the same time convey to the employees that their communicative participation is expressly desired. Finally, in the introduction of collaboration and communication technologies, the community idea is in the foreground. And this ultimately only works if the corporate culture is “social”. If it is or is not, social business remains a virtual ruin with endless many untapped possibilities (Zurbrüggen and Zeese 2016, p. 12). However, most companies are having trouble doing so. In order for social media to have a suitable foundation, the management culture of a company must open up and allow decentralized self-management and self-responsibility rather than hierarchical, central control. An open corporate culture is the key to a successful integration of social media into internal communication. In addition to the activating role of the managers, the attitude of the employees is of enormous importance with regard to the actual use. If hierarchically managed companies are involved in social media, they must be able to learn and allow communication flows in all directions.

The executives live this type of communication in the ideal case. The issue of trust is particularly important in an open corporate culture: the more open the communication, the greater the confidence in the employees. An adaptation of corporate culture in the direction of transparency and openness is indispensable if social media is to be successfully integrated into the mix of internal communication and actively used by employees. A cultural change, whether in society or in the company, does not happen overnight. The successful interlinking of exemplary leadership on the one hand, as well as the acceptance and use of social media tools by the employees on the other, have a positive effect and can thus accelerate cultural change.

At the same time, the need for change has emerged only through the emergence of new communication channels, since the enormous potential of social media has ultimately developed through active use in private life. Nevertheless, the complexity of a corporate culture is more important and has to be adapted in its basic principles to allow this new form of communication (Dörfel and Ross 2012). At what level companies start their mobile employee communication: Expectations should not be too high in the beginning. It takes a long time for a successful, open communication to establish itself over many hierarchical stages and become a powerful part of corporate culture. Giving the employees a ready-made big-bang solution is not very helpful. More successful are companies that help their employees to develop mobile employee communications to find out what functions and content they really want. After all, there is only one who decides, and that is the user (Zurbrüggen and Zeese 2016, p. 12).

4 BITKOM survey

The BITKOM is a digital association in Germany. It is particularly focused on innovative economic policy, a modernization of the education system and a future-oriented network policy. In 2013, it published a study on the use and potential of social media in companies. Asked about the challenges
for social media, the surveyed companies show a certain disillusionment. While recognizing that the issue is gaining in importance and popularity, there is a lack of budgets and resources to seriously develop it. Half of all respondents perceive this as true. According to 47 percent of the interviewees, the often-heard argument that employees spend their working hours with social software is a major obstacle in the realization of social media projects. Other obstacles that need to be addressed include: doubts about the business value of social media solutions (44 per cent), organizational constraints in companies (42 per cent), and a societal unfavorable corporate culture (41 per cent). However, management is only perceived by less than a third (29 per cent) of the companies surveyed as a barrier to social media. It is clear that not every company is ready for social media. A corresponding corporate culture, which promotes the networking of employees and the sharing of knowledge across department boundaries, is the prerequisite for successful implementation in practice. Often a change in the way of thinking is necessary. Another statement is that social media is understood by most companies as a tool, not as a method. Opportunities are therefore sometimes misjudged, which often leads to disappointments. Social media is not a sales tool, it is a culture (BITKOM 2013, p. 32).

![Figure 1: What are the biggest challenges or hurdles in social business projects? (Multiple answer possible)](source: BITKOM (2013, p. 32))

5 Outlook

Social media is a complex phenomenon that poses major challenges for company communications, sometimes risks, but also offers many opportunities. The cultural and structural change processes, which make effective and efficient use possible, have to be implemented gradually in the company. This is the only way to give companies a longer-term benefit from social media. Social media mean a fundamental change in corporate communication and even the communication culture of the organization. The central challenge will be to become familiar with this new situation and accept it. The blurring boundaries between internal and external communication must be recognized (Iyilikci and Schmidt 2011, p. 87). This is the only way to control the often-felt control loss in a controlled communication. This requires employees to be free to deal with the networks, to set up internal rules for dealing with them, to set up organizational structures and processes of coordination, and to fill in the missing resources.

The above-mentioned BITKOM study provides the following obstacles to the successful use of social media: doubts about the business value of social business solutions, organizational constraints in companies, and a social business unfavorable Company culture. In addition, the study confirms that management is perceived by less than a third of the companies surveyed as a hindrance to social business. It is clear that not every company is ready for social business at the moment. An appropriate corporate culture, which, for example, promotes the networking of employees and the
sharing of knowledge across departmental boundaries is the prerequisite for successful implementation in practice. Social business is understood by most companies as a tool, not a method. Opportunities are therefore sometimes misjudged, which often leads to disappointments. Social business is not a sales tool, it is a culture.

**Literatúra/List of References**


**Klúčové slová/Key Words**

social media marketing, corporate culture, corporate strategy, corporate communication, cultural change
marketing sociálnych médií, firemná kultúra, podniková stratégia, firemná komunikácia, kultúrne zmeny

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**Résumé**

Prispôsobenie firemnej kultúry meniacemu sa prostrediu – zmeny v kultúre za pomoci sociálnych médií

Sociálne médiá predstavujú zložitý jav, ktorý je v skutočnosti výzvou pre firemnú komunikáciu, nesie určité riziká, ale zároveň ponúka aj veľa príležitostí. Procesy spojené s kultúrnymi a štrukturálnymi zmenami, ktoré umožňujú ich efektívne využitie, sa v organizáciách implementujú postupne. Toto je jediný spôsob, ktorý organizáciám umožňuje dlhodobe prosperovať zo sociálnych médií. Sociálne médiá znamenajú fundamentálne zmeny vo firemnej komunikácii ako aj v kultúre komunikácie.

Ústrednou úlohou bude oboznámenie sa s novou situáciou a jej akceptáciou. Je potrebné uvedomiť si stieranie hraníc medzi internou a externou komunikáciou (Iyilikci and Schmidt 2011, s. 87). Je to jediný spôsob ako kontrolovať často pocítovanú stratu kontroly v kontrolovanej komunikácii. Vyžaduje si to umožniť zamestnancom komunikáciu na sietiach, nastaviť interné pravidlá zaobchádzania so sietami, vytvoriť organizačné štruktúry a procesy koordinácie a obsadiť chýbajúce zdroje.


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