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**THE IMPORTANCE OF COMMUNICATION IN
LEADERSHIP CULTURE**

Thesis

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<p>The thesis is about the importance of combinational culture inside the company or organization. It is presented by many theoretical studies with a practical example.</p> <p>I studied from several books and internet articles, also I based my observations on my university studies and it's also based on personal experiences at school and professional training.</p>		

PREWORDS

I would like to say thank you for all who helped me in my work in any form and contributed somehow in my thesis. First of all for all of the employees at KEL ltd. especially the financial manager, Erika Nádas. To my head teacher, Ossi Päiväläinen and my supervisor Tapio Mallinen. Also to all my family member, like my father Ferenc Wilhelm who supported and helped me to study abroad. And to my girlfriend Diána Stocker who supported emotionally much in my writing.

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1. INTRODUCTION

As the result of my international studies I choose the subject of communications. Here at Centria University of Applied Sciences we have many students from all around the world and as a result of the mixed community I am living in. Thanks to a several different view and culture I recognized the importance of the communication between people, between employees and employers and also between cultures as in everyday life as much as in business culture. After to this I decided I will write and research around the idea of communication norms and forms. Also I consider myself closest to the topic of communication and people relations, I count as one of my personal skills as in good communication skills. During my studies and personal trainings also during personal life I encountered and organized several event or organized meeting or just contacts and conversations what I had to be a part of. From presentations at school to stuff meetings and reports during professional training as well as family gathering. All connected with communications, conversations and organizing with people. But I never ever worked or studied this in a deeper level. That's what this Thesis about.

The goal and objective of my thesis describe the general ideas of communication in the business culture, the importance of it and tell features of it. I will talk more about the levels of the culture itself and its visible and invisible parts. Talk about what position each level feels in, in the culture and how and why to analyze them. For defining a good picture for cultural types, I am going to use an existing cultural expository made by Charles B. Handy's. Which where Handy defines four cultural types : Strength, role, objective and character. I consider it as an important chapter because it talks about company structure, features and leadership decisions in a global picture. And these elements are even further studied and expanded by the mechanical and organical cultures from Cameron and Quinn.

The other field of my study is to learn and show the connections between national and organizational culture. I analyzed the dynamics of messages , Proxemics and the relation of time and context by Edward T. Hall. The previously mention fields give a more complex picture about people's relationships to each other their work efficiency and the manifestations of their communications.

Addition to this I studied Geert Hofstede's dimensions, which approach national culture from four aspects, which give a real relevant information because of the size and complexity of the study. In the last chapters i study cultural elements of my country, Hungary.

The next important part of my thesis is company and organizational culture and the communication connects to it. I analyze all the interior and external communication elements. At the internal I study formal and informal elements, communication flow. At the external I introduce the external factor what is necessary for fluent work processes. I think it's important to show the difference between company and business communication and the elements what influence clear communication. At the end of this chapter I also show the elements what are common for the Hungarian part .

The least theoretical part of my thesis, deal with elements of leadership. I determine the efficient leadership styles , which show how that a company success is influences by its leader's skill and behavior. I detailed this in what kind of relation is leadership in with the current situation of the company, also what kind of motivations and necessities should leadership fulfill in order to be more successful.

I did my last professional training at KEL ltd. , who is a distributor of detergents and cleaning tools. During my time there I was introduce to the many of the company activities and work processes. The practical part of my thesis is based on the study and analysis of internal atmosphere of the company, the several manifestation of communication there and leadership analysis. My study and

conversation was also based on these and by the McKinsey model. I got a global picture of the company's structure, needs and problems. My company analysis is based on my personal experiences what I got there, on the conversations and interviews with the employees and managers and my theoretical study.

My goal is to bring the reader closer to the wide range of organizational culture, throughout practical examples , that how diverse is this area. Beside this I discuss the role, behavior, and communication's important of the leadership.

My hypothesizes:

- The behavior and decision of the leader define the whole company at its core.
- That the common Hungarian communicational and behavioral manifestations can be found in the analyzed company.

2. DEFINITION AND WHAT IS MANAGERIAL CULTURE

Now days many book and author try to find an exact definition for managerial culture. Although the examination itself of this culture is quite new branch of research. But the practical application for the culture is much more wider and more complicated, therefore there isn't any good definition for it. Maybe there will be never. However during my thesis I try to put it into a more clearer position.

It's started around the early 80s, when the eastern markets, for example Japan and China become competitors for the newly industrialized western markets. Because of many differences between the two markets and not just in business but in managerial and social culture, there was a need to define a "general" managerial culture. Also they realized that there is something beyond products and services that they need to face in the manner of being successful. The managerial culture is a not touchable thing that is needed for an international organization to be successful.

"The business culture is the system for shared values, beliefs and customs which are interacts with formal structure and make a standard for behavior." (Borgulya – Barakonyi 2006)

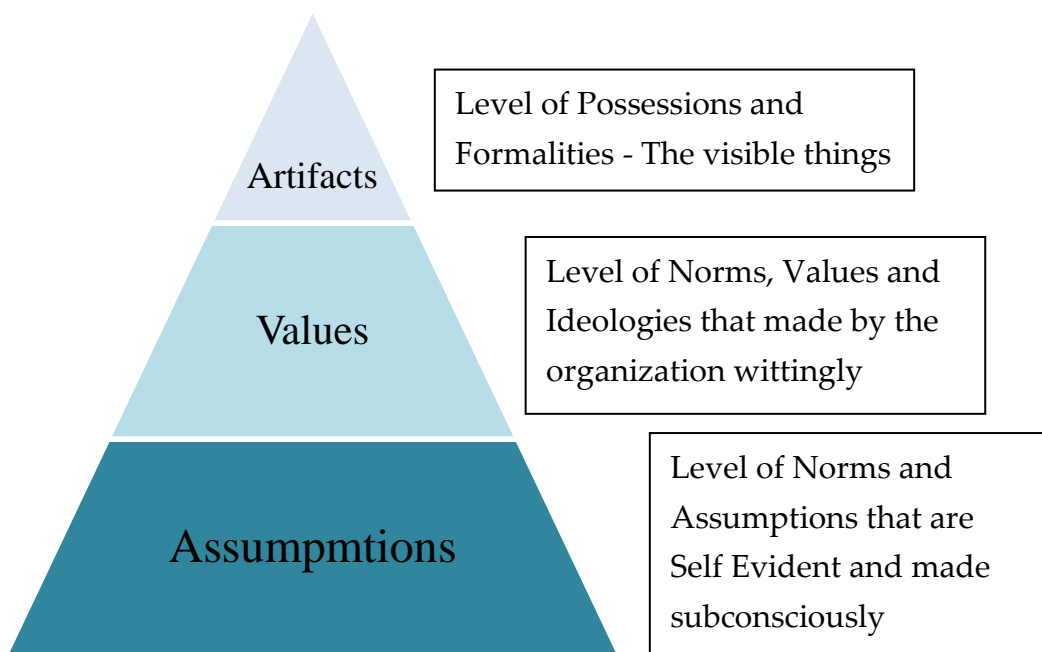
According to this, managerial culture is a norm and ideology that every member of an organization accepts and behave as it's a shared value. These ideologies are followed by every member of the organization and introduced to every new arrival as well. In many cases the culture work as an informative regulation system, in which the sum of shared beliefs and values determine its people behavior and thinking method. One culture is build up and form by those living persons who live in it. We can think of it as a self-determination, but as in a personal context we call it personality, in a group level we call it culture. So us, the people, we are the culture. Every person in it put in something from him or herself even if it's intentional or not. For a lot of companies and enterprises this give the base

for the whole organization and by these culture they manage themselves.(Borgulya Ágnes, Somogyvári Márta 2007 Kommunikáció az üzleti világban)

2.1 CULTURAL LEVELS

Among the many authors who were researching the cultures, almost all of them agreed on that we can just define the culture by visible elements. It's important to observe and study the invisible ones as well. It's important because the visible ones only give part of the overall picture. The cultures most important aspects, like most of an iceberg hide under the surface. The top of the iceberg is made from those elements we are aware of, and the invisible part is made from those we don't.

Edgar Henry Schein, a former professor from MIT (Massachusetts Institute of Technology) have separated three levels in the organizational culture.



Graph 1.

The first level is the level of possessions and formalities. These are the visible elements. This level includes every tangible and overt or verbally identifiable elements. These things can be recognizable by those who work or live outside the

organization, such as like: Dress codes, Building design, even office jokes or lunch and coffee break rules. Also to this level we can count moral and ethical norms and some things that happened inside the cultures, such as stories and tales, different celebrations, "rituals", basically all of the everyday habits inside the organization.

Although these cultural elements are easy to see and recognize, it's that hard to understand and analyze, especially for those whom come from another cultural environment, because they reflect their own experiences, emotions, perspectives to them. Time is needed to every individual to understand how it works and become easily part of it.

The second level is the level of values and ideologies, which one half individual and one half instinctive and which contains the norms of family, groups and organization of the individual. Schein think that these are those individual norms which later on will be accepted in public society. In the beginning, every suggestion or recommendation is unique and looks effective only for the individual. In the case that it works and implement well in everyday life, the cognitive transformation begins, which result will be jointly accepted beliefs, ideology and value system. It's understanding is more serious and harder than the level of visible elements, although in the knowledge of this, it's easier to separate and define the first level.

The third level and last level is the deepest. It is the level of assumptions and premises. On this level the individual acts on so deep level of instincts, that he or she accepts given norms without questioning as an axiom. Because of the deepness of these, any new assumption or knowledge, can make the individual nervous, stressed or uncertain, in some cases it can even make the individual angry or defensive. Then he tries to connect all these new things into already existing knowledge or assumptions. The same thing goes down inside an organizational in the case of any

change. Every individual inside the company can hardly dissociate from earlier established norms, therefore for any no matter how small change can lead into tension.

We acquire the properties of this level throughout our socialization and later on we pass it through. From every new individual whom get accepted into the organization will bring these properties with them, which he or she form into the organizations imagine, or take over parts from it.

My own opinion is that this can give us unity. The deeper level of understanding of the three levels. Although enforcing differentness and making hierarchies, in some cases are not the solution. I think in some business and management perspective, these differentness, can give the good edge and make us keep our uniqueness, so that we won't become "sterile" or black and white.
(Borgulya Ágnes, Somogyvári Márta 2007 Kommunikáció az üzleti világban)

2.2 CULTURE MODELS AND TYPES

2.2.1 HANDY'S CULTURE

If we are looking for a scientific base for managerial culture, we should look into the research of Charles B. Handy, who is quite commonly and well known for his work by determine four type in the culture: Power, Role, Task, Person.

The type of "Power" is the easiest to imagine as a huge spider web, with the director / CEO in the center of it. Maybe the best description for this is a authority based hierarchy. This is mostly common for newly formed organizations, which don't have so much controlling element or roles. The middle of the web is the leader, who is the origin of all operation and because of that the efficiency and quality is mostly depending on his or her contribution. Decision making is almost completely his or her role, but because of this all this responsibilities weigh on his or her shoulder. By this come from that decision making in this scenario is more like an filled in role than a logical based one. This type suggest a small structural organization which lack of bureaucracy and there is only one rule, but because if this the company itself is capable for fast adoptions in case of market environment changes. The back fire of this type of the incapability to grow. The organization can't grow much further if it wishes to keep this type of management, because if the company grows, then the need of side managers do also and if that happens the solo managerial way of the company seize to exist.

The next type of culture is the type of "Role", which we can call bureaucratic culture and we identify it with the Greek hall of columns. Here rationality and logic dominates and the level of rule following is high. The orders and task come from way up the management chain and because of this there is no need for coordination because of the rules of the managerial systems. At filled in positions the role have much more importance, then the abilities of the individual. Because of this they make the responsibilities of these positions so they can be handled by many easily. The

disadvantage of this type of culture is that it reacts slowly for the changes in the environment. For them it's much more preferred to be in a stable, predictable, controllable market. In organizations which wield this kind of cultural type, specialization and economical structure is mostly common and not innovation or flexibility. The employees have sure, strong and predictable carriers with "step forward" opportunities.

The third type of culture is the type of tasks, which can be described as matrix-organizations. It's in its name that is mostly orientated around task, projects and hard work. It's much lighter and works with less constraints and obligations than the bureaucratic system. Those who work inside in these kind of organizations, they work mostly individually and have the authority to check and evaluate their work. We can say that this culture's adaptation level is high. Its groups and projects are easily can be converted or even deleted, changes can be handled very flexibly. This culture works well on those kind of market where the product life cycle is short and market sensitivity is more relevant. Organizations that are innovative, flexible, have fast response and adaptation time are only who can stand their place on these kind of markets. The disadvantage of this culture is the control and overseeing of the organizations. Assigning of the human and material resources to projects can sometime lead into arguments and conflicts which because of higher managerial interference the organization can shift into the cultural type of role or person.

The last culture category type is the type of "Person". In these organizations people work completely individually from each other. They have made these offices, stuff, bureau by their own free will. The goals in these organizations are not same or common, they work separately from each other, but we can talk about interest associations here. From this it comes that there is no leadership hierarchy and that it's not even accepted in this group. Members can quit anytime, but for firing or dismissal

them, there is no option. This can be presented best as a personality culture aggregation.

The following cultural types mostly cover all of possible managerial cultural types. Even though if not all of the factors specify an organization, we can approximately decide an organization's culture base. My opinion is that there is no point to rank these cultures, because many factors make an organization belong to a cultural type.

(Charles B. Handy (1985): Understanding organizations)

2.2.2 MECHANICAL AND ORGANICAL CULTURES

An other type of classification for organizations is the mechanical or organic culture types. I choose to analyze this two culture type as well to demonstrate the many level of organizational culture. The environmental factors and operating fields can defer from the following, although it will show a satisfactional picture of another analyzing method.

The mechanical cultures follow rules strictly, they operate in areas where there is less chance for change and can be well calculated with. It's main features are that it's less dynamic, more inflexible and have the inability or quick changes or quick responses. It's mostly coming from these organizations bigger size and it's higher market position. Many times we talk about companies that are in monopolistic or oligopolistic situation and changes in the market environment have huge effect in the company's life. Such as a Hungarian company MOL or Finnish company RAY.

For a mechanical organization or company it's common to have strict rule following policy. Mr. Heidrich bring up McDonald's for the perfect example, because he says, that the companies upmost success comes from its rules complete fulfillment. The assembling process of the food happens all the same in all the countries that McDonald's is present and from this comes a customer trust that they will receive that same quality and taste in the food, like at home or when they are

abroad, so they won't be disappointed from what they get. But also the regulatedness is the biggest disadvantage of McDonald's . It's incapable for quick satisfying changes, therefore it doesn't make new refreshing product but prefer old and well marketed products, such as Big Mac.

For organic centered organizations, flexibility is the most common attribute. The structure of the company requires it to have a quick and efficient response for any change in the market environment. Inside the company it important that information flows fast and easy, also that every individual who works there would have fast adaptation skills. It also helps them, that they don't have so strict rule policy like the counter parts mechanicals, they give space for the individuals for innovations and free unfoldment. The is the result of the many changes in the environment that forces them to make this kind of approach.

Also an important factor in the organic culture is that here, everyone of the individuals opinions matter, also there are many meeting where they discuss it. In the mechanic culture type this isn't important at all, because decision making is in the hand of the high management and they don't react to the employees ideas.(Heidrich Balázs (2000): Szervezeti kultúra és interkulturális menedzsment)

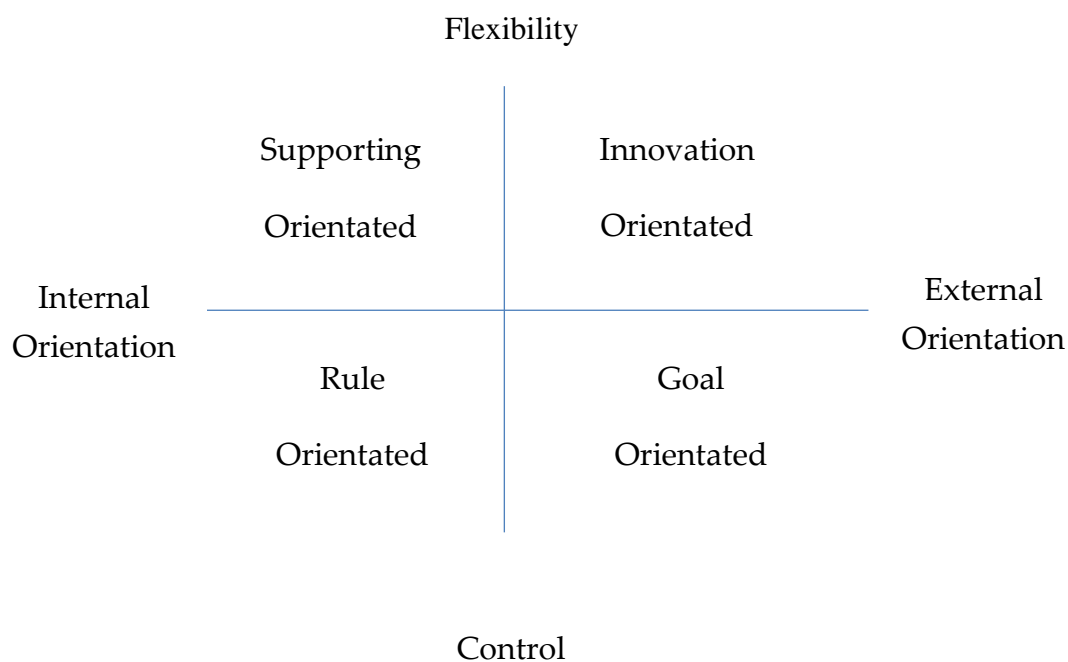
2.2.3 CAMERON'S AND QUINN'S CULTUAL TYPES

Cameron and Quinn analyzes communication cultures different from previous approaches. The main point of their theory is to determine ,that what kind of invested assets helps the company to make their cultural community, which meets the inward and outward aspects of the market environment.

The two necessary factor for the analyzes is the concentration and focus of the Internal against External orientation , and the Stable versus the Flexible control. For the internal orientation organizations, the overseeing of employees and the analysis of internal processes is the main goal. On the other hand for external orientation organizations the concentration for the external environment and the adaptation to it

is what's important. The model only reach its meaning with the adding of the second pair of value. In case of Flexibility employees have much more freedom, more room for decision making, but in the case of Control employees have strict rule system and they have smaller amount of individuality.

This model is interesting in the manner of such, that it's taking its conclusion from two major aspects of an organization and it's way of operating. From crossing the two dimensions , the appearing quadrants give us one - one leadership type and the organizational culture what belongs with them.



Graph 2. Cameron and Quinn Organizational culture model

The name on the models have been change so they would have more clearer meaning.

The supporting orientated culture is which on the top left of the graph and which we can call the most close to "family orientated" . The community and it's building is the most important aspect here, in which also their leaders take place, so that they make the bond even stronger. They employees are very determined towards the organization and that also true the other way around. The main factor that makes these organization flow is loyalty and trust here. The first pillar in the supporting culture lay in the teamwork of the employees from highest to the lowest and it's continues building throughout time to time.

At Rule Orientated culture we speak about a slow bureaucratic culture which works as a pyramid hierarchy system. The most common aspects here are invariability, stability, strict rule system and high level supervision. The formal written forms and advanced informatics systems give it workflow's core. Organization and the keepsake of old values are very important here, also there is not so many innovative or decision making task in the hand of the common employees.

Goal Orientated culture is the culture that makes its objective pursuing the most important goal in the organization. The leadership here is the most result orientated kind there is, whom expect the same kind of attitude from the people they employ. They always keep in mind the continues planning of the future and the handling of the available assets, which helps them increase productivity and profits. Inside the organization verbal communication is more common then written and employees don't have much decision making towards controlling the organization.

The innovation orientated culture as the name already tells is all about innovation and development. The employees of such organization have to adapt fast and flexible for any changes in the market environment, there for their work is risky and uncertain. Working processes are mostly done in groups or teams, although these mostly last only until the innovation is done, afterwards these teams and

groups completely reassemble or totally unravel. The individuals bond with each other much less as in the Supporting Orientated.

Between the introduced three cultural analysis type, we shouldn't make any ranking, because all of them introduce their organizational structure and culture by different factors and aspects(Heidrich Balázs (2000): Szervezeti kultúra és interkulturális menedzsment)

2.3 THE NATIONAL AND ORGANIZATIONAL CULTURE RELATION

The organizations and people who work and live in them have different kind of cultural expressions, which can originated from a wider group, from the group of national culture. Therefore the organizational culture builds on the national culture (which builds on global culture), on a axiom, that employees work in an organization which is a national environment also, which cultural element influence their everyday work and life in a big way. All of the organizations them self make their own cultural environment, but these made by their unconscious, as well as their conscious factors. The national culture if we want it or not, it does have a huge impact in an organizations life.

" The national - organizational culture expression covers an organizational culture, which contains the given society national cultural specific features - for the successful goals of organization's strategies - for which it's employees and business partners are part as well. "
(Jarjabka 2005)

Therefore the national culture is affecting us from the side of the organizations as well as from the side of the customers. My opinion and my life experience also tell me the same. For example in an Arabic country it's a not spoken law that you have to debate about the price with seller, because if you don't and you accept the first price

immediately, it's kind of an insult to them. The effect of national culture is inevitable especially here at Centria where there is so many so students from so many countries form all around the world.(Borgulya Ágnes, Somogyvári Márta 2007 Kommunikáció az üzleti világban)

2.3.1 HALL'S CULTURE FACTORS

Edward T. Hall anthropologist have made a determinative study about communications different aspects (Speech, behavior, intangible assets). His studies territories are communications and messages dynamics, proxemics and the problem of time and context. With the knowledge of these factors, the individual is able to adept faster and avoid unpleasantness in the given culture of the organization.

The dynamics of the message can be slow or fast. In the case of fast we speak about everyday communication, news and events and in the case of slow we speak about much slower speaking ones such as religion or art.

Proxemics are the branch of science, that studies the distance and spatial perception in our life's. In different cultures people keep different distances from each other and they use different verbal and non - verbal instruments. We can put these distances into four categories: public, social, personal and intimate. In different cultures different habits formed, which requires different amount of approach to each other.

He made his research more deeper and with more detail in the area of context. Hall said:

" Context is the kind of information, that connects to an event or a happening, it belongs to the meaning of the event directly. "(Jarjabka 2005)

The different kind of groups in culture have different kind of experience, which are hard to understand for a person outside of this group. The given word use, expressions, gestures, signs are only simply understandable for those who are in that group. He also made difference between high and low level of context.

The high context feature that the participants are using implicit and explicit modes of communication expression as well. These are hidden communication forms, which are flow around in form of code and their understanding require deeper knowledge. The members of the communication understand each other from "Half words". The high context communications is mostly common for people from Eastern Asia, Middle East and South Europe. My country, Hungary also belongs here. These things accelerate and simplify communication processes, but only in those kind of group that get used to each other's style, expression and earlier unconsciously acquired the used "Language" . This is the time when people use the expression "to be in the same page" with somebody.

In lower level communication context we can experience the opposite in the matter of clearness of the message. Things said out loud and very clear, it's simple and there is nothing to distort the message. Into this communication category falls the Brits, the Americans and the Germans as well (also Finnish people). This kind of communication's advantage is its simplicity and its clearness. There is no equivocation in it, it's straight and direct kind of communication mode. People who comes new to a company can also easily understand them.

Also to the name of Hall belong the expression pair of monochronic and polychronic, which plays great part in the approach of time. At the monochronic perception of time, order and strict rule following is important. Employees concentrate on only one given task and they don't want to be bothered. This perception is common in countries such as like United States, Switzerland, Germany and Netherlands. Employees in companies in such perception are punctual and give

high attention to deadlines. It's also their trait that they respect each other's personal values also they lend or give each other things very rarely. It's in close relation with that there is very few question and communication about work, they pay attention to disturb each other as less as they can. This lead into that employees will be in short time value relationships with each other.

At polichronic culture the exact opposite of the previously mentioned can be observed. Here more than one process is going on simultaneously. Here diverted attention is important, employees won't get distracted from questions or request which are not relevant, they are flexible and can handle unexpected situations. Here deadlines and punctuation are not so strict, they are more or less accepted to be off track. Polichronic cultures are most common to Latin America and all the Mediterranean countries. Hall determined that at this type, employees adapt to frequent changes in the programs or tasks much easier and flexibly. Above that , here employees make stronger connections and relationships, so it's not rare that they turn to each other with requests and for help or even they lend their valuables to each other. Hall separated this to types, but I rather say that the combination of the two groups are the best. Diverted attention I think is really important especially in our days of frequent "running life style". In many times it's necessary to respond quick or immediately therefore it's required to, even if for a short time that the individual can concentrate on a second or third thing at a time.(Edward T. Hall - Mildred Reed Hall (1990): Understanding cultural)

2.4.2 HOFSTEDE'S DIMENSIONS

It's was previously mentioned that organizational culture is a wider group inside national culture, therefore I think it's important to introduce Geert Hofstede's dimensions. The international survey that he have made have huge influence at national culture research. He investigated that what kind of influence does national culture have in the work of companies and organizations, thereby he made

organizational types, which behavioral characteristics can be lead back to the give national culture's roots. We acquire the full picture with the analysis of four different indicator.

Individualism - Collectivism:

This factor is to present the relation levels of the individual to themselves and their environment (Family, relationships and friends) also to their current place of employment, their company, therefore it studies the degree of individual and collective thinking level. From the following table you can see that the "I" centered thinking stand against the collective interest.

INDIVIDUALISM	COLLECTIVIMS
"I" consciousness	"Us" consciousness
Individual decision	Collective decision
Independence from the organization	Dependence form the organization
Everyone is responsible for them self and their family	Commitment to the organization
Private Life	Organization have a say into Private life
Relationships based on interests	Relationship based on moral values
The goal is initiative and efficiency	The goal is to belong to each other

1. Table : Basic Features of Individualism and Collectivism

Between the members of an individualist organization there is low level or relationship. This confirmed by the low context communication, the individuals can only can count on themselves, they are solo players, independent from other groups and they make their decisions by themselves only. The employees don't relate them self to the company, they to look at it as a constant and stable point and mostly between colleges there is only relationships based on interests. The goal is only

personal success, even if it sometimes means the depravation of relationship with others. We are talking about efficiency orientated individuals, whom doing their jobs and makes their decision based completely on their own norms and experiences. Individualist countries like Australia, Netherland, Canada and United States are doing so.

At collectivistic organizations the emphasis is on group work. It's working under the word "us", where there are strong relationships among colleges and employees. The communication is high context, it's also shown by that employees relations are mostly forged by shared experiences and events. They hold on to each other, which is strengthen by the shared representations of goals, which is before personal needs. In case of any problem they take interests of the organization or company before they personal ones. The "group feeling" is empowered by that connections are based on moral values and that the keeping of constant peace and good work moral is more important than anything else, even if it takes its toll on work efficiency. For collectivist countries are good example Columbia, Portugal , Chile or Singapore.

Power Distance:

Hofstede said that:

"The Power distance is equal in a hierarchy between employees and employer with only the difference which is between that how they determine each other's behavior and attitude."

This means that the power distance index shows the hierarchy relationship system, the behavioral norms of the people in it and the accepted form of leadership.

SMALL POWER DISTANCE	BIG POWER DISTANCE
Rightful leadership	Leadership above all things
Big Middle Class	Small Middle Class
Same Rights	Leadership have privileges

Leadership based on skills and experiences	Leadership based on family or friend relationships
Minimal aggressiveness	Frequent aggressiveness
Democratic decision making	Autocratic decision making
Employee roles are centered	Leadership roles are centered
Trust and group work	Distrust and conflict
Weak Political Conflict	Strong Political Conflict
Multi-party system	Autocratic, dictatorial, oligarchic party system

2. Table: Common characteristics in Power Distances

From the table it comes that the small and big power distance organizations are strong opposites of each other.

At the small power distances people try to make the each other equal and to eliminate social differences at the work environment. Colleges treat each other equivalently, even at the relationship between employees and employer. This helps the work processes to be more fluent because it makes employees less stressful and fearful. This requires that the leadership practice it's power less strongly on the employees. So there will be no power abuse and employees will respect their leaders more, because they are more approachable. In case of an error or mistake, the organization will look for the solution and not for the guilty members. Small Power Distance countries are like Austria, New Zealand, Denmark and Finland.

At big power distances companies, it is the exact goal to make employees know that there are no equality and that a completely accepted and normal thing. It is shown in the manifestation of behaviors that the sides are not equal between the employee and employer relation and for the employee, the leader is not reachable. The leadership is led by selfish interests, there the making of decisions is given to themselves and it's not made by any democratic way. There are big power distances in Mexico, Singapore and most of the South American countries.

Masculinity-Femininity

This was intended to study, that in a given nation's society, there are what kind of masculine or feminine roles and values. It looks for the line between the two sides.

MASCULINE CULTURE	FEMININE CULTURE
We live to work	We work to live
Material Values are important	Social relationships are important
Orientation towards Efficiency	Orientation towards Best Life Quality
The men is the "man"	Equality between genders
Determination, ambition, career	Care
Men: rational; Woman: emotional	Rational and emotional
Endeavor towards bestness	Overall satisfaction with normal level
Sympathy for the strong	Sympathy for the weak
Individual decisive action	Pursuit of agreement
Enthusiasm and zeal	Modesty and humility

3. Table: Masculine or feminine culture traits.

The determination of behavior roles are easy for masculine or feminine roles because it's comes as an instinct, also because the facts showed before was the part of our education and life. The question is that do the learned norms still stand their place nowadays.

My opinion is that masculine cultures nowadays are the descended of the old one but with a little bit of further development. The man is the "man of the house" therefore he is the decision maker. But this in our current society - and by this I mostly mean our western modern civilizations - changed a lot because women nowadays also take huge part in their families financial contribution and not just in the raising of the children. This also shows that women, but with a little bit behind of

standard, they are completely as equal individuals as men in the society, organizations and companies. This is hardly accepted by masculine societies, because they still believe in "men power", where passing through one another, pursuit of perfectness and the boost of efficiency are the main goals. In these countries there are still separate jobs for men and women, which are parts of older norms. Some of these masculine countries are Mexico, Venezuela and Austria.

The feminine cultures differentiate from this. There belonging to a group, care, endearment, helping those in need and improving of human relations are the goals. Feminine countries are like Netherlands, Finland, Norway and Sweden. As a man I think accepting in feminine cultures are more than encouraged. A man won't keep his masculinity if he dominates over something or someone, but if he combine both of the cultures and it's norms and live by that. It's also important that the process of the feminine cultures expansion should go in a healthy way and not radically so it's will keep up the balance between the two gender.

Uncertainty Avoidance

The last category inspected by Hofstede is that what is the scale of acceptance in our society for uncertain or new idea. The change from the road that have been taken to the road that is yet to be taken always carries many questions after itself, which results in tension. There are already strong contrast in its handling methods. How it can handle the uncertainty of the society can be put into two groups.

WEAK UNCERTAINTY AVOIDANCE	STRONG UNCERTAINTY AVOIDANCE
It's life natural part to be uncertain	Uncertainty is constant source of danger and have to be dealt with
Uncertainty should be handled easily and calm	Uncertainty goes with a lot of tension
Violent approach is not accepted	Aggressive behavior is accepted

Simplified regulating system	Bureaucratic compliance
Possibility of changing of the rules	Punishment and discipline in case of rule breaking
Differences are allowed	Pursuit of Unity
Risk taking is accepted	Dangerous situations should be avoided
Expression of emotions should be avoided	Emotions are allowed to be expressed
Inaccuracy is accepted	Punctuality is very important

4. Table: Uncertainty Avoidance Scales Criteria

It's interesting that not the Mediterranean but the more advanced Scandinavian countries have lower level of uncertainty avoidance. This comes from that if necessary they are able to work harder and they can handle many situation without any interior tension. So even if it's more friendly and "magical" like Spain, which can give a tension free picture, but society need the sense of security. My opinion is that this comes from that these countries have higher unemployment rates and there is a constant fear from cost of living, but not like in Finland for example where most of these things are secured. And this makes even more calmness in these country's society and increase the weak uncertainty avoidance feeling.(geert-hofstede.com 2016)

2.3.3 HUNGARY'S ORGANIZATIONAL CULTURE'S TRAIT

For Hungarian entrepreneurships it's important to determine the organization's culture, even though there is less information then global. My opinion is that this comes from the 25 year ago happened political system change. For the

development of the cultural factors there have to be more time, but my country is still in a child's shoe for the free market's sphere, so its culture is also rudimentary.

To understand the current situation it's needed to bring up its past. My country worked during the communist reign in a very autocratic, bureaucratic, from and rule following economic system. From many socialist countries at Hungary was the highest living conditions, but the political system change came fast and ruthless so there was no chance to prepare for it. The old sense of security was change to uncertainty. The people wasn't protected by the government anymore and they went into the "free market". The problem with this was that people even with many years of work experience were still fresh graduates in the eyes of the free market. The feeling of losing employment made the people fear, the peace from the old system that everyone have or will have jobs was gone. In the system of the past there was an artificially created "command" economy, there were no concrete strategies or structural elements and there were no any sudden surprises on the market.

The result of the socialist system is that today's leadership don't dare to make any decision or in the case of making take responsibility for it. In every aspect of life people get used that instructions always come from above so task can be done "without thinking". I think this in an international way is bad because it tell foreign powers that our expressions are not clear.

I will take GLOBE's survey as an example because it does contains the four "base" indexes that made by Hofstede and above that it includes a different approach which gives us an even more complex picture. During the study it takes national and organizational culture under study. The rate of uncertainty avoidance reach a lower scale then the normal at both national and organizational level, so for us Hungarian it's common to handle uncertain situations well.

At the power distance level at national we got higher and on organizational level we got lower results, which are both way above the average level at both of the

categories. To reduce and bring closer the distance there is already a desire, but for this there should be a change in both behavior and attitude from leadership and from the employees.

At the standpoint of Individualism - Collectivism at the point of national level a strong individualism is present, which developed in the people by the socialist system. On the organizational level, the importance of collectivism is getting more and more attention. The spirit of the old age is getting forgotten and people starting to remember again the greatness and importance of teamwork and to trust in it.

If we look at masculine and feminine aspects in Hungary, both at national and organizational level the scale goes toward the masculine culture. The society rejects aggressiveness and rudeness, but it requires waywardness. But at the same time they demand enforcement and encouragement of feminine values.

At the study of organizational efficiency, practical, evaluation and recognition behavior is preferred. But this is only in theory, in the practical life they don't reward or promote you by your efficiency. But this can back fire by conscious efficiency drop or decrease of work moral. The members of the organization need the appreciation for their efficiency and work by their employers, because they take their strength for work by these kind words. One of the people needs are recognition and appreciation, which can effect a high boost in their moral.

My opinion is that future orientation is related to appropriate efficiency orientation, because if you have good efficiency than you can plan to future safe and sure. Also currently time orientation also requires some changes beside efficiency orientation. Because of past event, people have pessimistic visions, but there is also vision for advancement and need for long term goal orientated views, both at national and organizational levels. And the last important cultural factor is human orientation, in which we achieved "low grades". In both national and organization level we are sadly not so much willing to help or sympathetic. And by my opinion this is very well present in the everyday life of a Hungarian, in how we help in those

in need and also we keep point to each other for taking responsibilities. By the study and by myself we come to the recognition that we need to start to reduce the "distance" between each other. From the study I also see that at the organizational level something started to grow toward advancement , but it needs time and care. People feel and know, even is by instinct which direction they should take. I think that the Hungarian national and organization culture still in a good and constant growing process to be stable structure. The ideas of the old system start to completely disappear and by only the study books the Y and Z generations know what was the socialist culture and how did it's system worked. But the total change will be brought by the current generation that is now growing and we should show them a good example. (Borgulya Istvánné, Barakonyi Károly (2004): Vállalati kultúra)

2.4 THE CONNECTION BETWEEN ORGANIZATIONAL CULTURE AND COMMUNICATION IN A COMPANY

In previous chapters I already mention about the importance and presence of communication. Here I will talk about why communication is the base values for companies and organizations leadership and why they should take it very seriously in building a solid company environment.

For those who newly arrive to a company or organization, they get know and acquire the company's norms, understandings, mission and vision, philosophy, interior rules and their colleges themselves throughout direct communication. They style of "broadcasts", gives an even more detailed picture of the company's position.

"The Company's communication is the mirror of the organizational culture."
(Borgulya 2001)

The communication's tone, deepness, and level are the form language used inside a group , the different revelation tools and different communicational channels helps to give a unified picture of the branches inside the company. The qualified leader recognize the importance of communication and they are trying to implement consciously into their company's process and work life.

The company can inspect it's communication for the internal and external ways. The two direction uses different areas to study.

2.4.1 THE COMPANY'S INTERNAL COMMUNICATION

The internal communication play a huge role in keeping several processes together and in the forming of the groups. It has formal and informal channels.

The meaning of the formal one is to give colleges and employees the formal policy to follow and states that for who, what, where, to whom, and in what way he

or she handle things. The formal communication follow the company's interest and thoughts. The size of the company and its number of employees effect greatly. As the company's size grow as it's need for precise definition and rule following by proper formalized communication. The bigger size leads to central information distribution, which have great responsibility, because it's decision and directives made by it is follow by those who are lower in the chain.

The flow of commutation is vertical, it goes from up to down and opposite, although it can be horizontal as well. It's important that communication should be two way independently from the organization's model. Therefore not only orders from above should reach their goals, but also statement from below should reach theirs. This is how the company will gets its feedback, in form of experiences and advices, so it will be able to determine if it's going in the right direction for fulfilling it's mission and vision.

We can separate three different big organizational communicational model. From these the most bureaucratic model is the hierarchy model. Here there is the typical employee and employer relationship between the sides. Here mostly order fulfilling happens and not real commutation. The leadership present it's set goal for those whom are all below them. There is good example from everyday life for the hierarchy model: There is a small group which hears its task one them then they start to whisper it to each other, the information understand by them. In many cases, from a long and detailed presentation there will be only words in the end. And this totally represent the pyramid structural leadership. The person who is lower in the "food chain" are not able and not even allowed to ask from the person that the original presentation came from. This is the reason why this communication channel is less effective.

The second type of model is the divisional organizational structure. Here we speak about less solid structure, the company build up from several other hierarchic

pyramid, but in the same time it doesn't use as many levels as the "big pyramids". Here beside the vertical communication, the horizontal is present as well.

The third type is the matrix model in the organizational communication structure system. In this form where communication expand in all directions and goes between every level in the company. The matrix organizations also requires the vertical communication exchange, but they put the same amount of importance to the horizontal ones.

Besides formal communication, there is informal one which we can't look over. In this scenario between the employees of the company there are private or personal conversations, in which cases they speak about the company in a positive or negative way. The messages with the real information can go through the company in minutes. The behavior of the leadership plays great importance, that what they will filter from these information, because most of them are complains, fears and dissatisfaction of their employees. If these thing are handled in the right way, it can raise the moral and the employees attitude toward the company. By my opinion that the internal communication give the basic mood and form of the company. This is a starting point for all the work processes and many other factors. The company should be built on stable and solid "ground" for successful running and for this formal and informal communication is essential.(Borgulya Ágnes, Somogyvári Márta (2007): Kommunikáció az üzleti világban)

2.4.2 THE COMPANY'S EXTERNAL COMMUNICATION

Entrepreneurships and companies don't work in isolated environment, but in the free market and from this it's obviously comes from that they need to communicate with other organizations around them. With these information exchanges they collect the data and need necessary to be successful on the market and the allowances, laws and permits to work and in the same time they survey the current situations of their competitors. In the same time they are in contact with other

companies, with customers, with the government, tax office and even the media. Beside information gathering, they also serve them to banks, government and accountants. But with different groups and organizations they communicate in different tone, context and interests messages. Also they keep in mind that it's not only important to communicate properly with the buyers and sellers, but with all the other organizations that they keep in contact, because it's necessary for the fluent work of the business.(Borgulya Ágnes, Somogyvári Márta (2007): Kommunikáció az üzleti világban)

2.4.3 FACTORS THAT INFLUENCE COMPANY COMMUNICATIONS

Communication is influenced by external environmental elements, as well the companies specific nature. The environment changes effect the company in the way of what kind of cultural, social and financial changes are in the area they work in. Communication is different in tourism sector then in the bank sector, but it can also depend on the area or country they work even if we speak about the same company. But to run this kind of company operations they need well developed communication structure. It's also necessary to adopt to subcultures and national cultures. The specific nature of the company's communication is determined by many factors, for example : pursued goals, structures, used resources, personality and style of the leadership and the established technical background.

My opinion is that the most important factor is the personality and style of the leadership. It's the starting point of the whole company and by its style of communication is the effectiveness is depending. The first important question is the decision making is individual or group made. If it's individual, then the process is fast and simple, but the messages don't always achieve what they meant to. Because they flow from up to bottom there is no feedback or control. This is the typical autocratic leadership behavior. On the other hand, if the leadership makes it's decision in a democratic way, then process will grow exponentially, but colleges and employees will be the part of decision making. Inside this we can put styles into

categories, but it's important aspect that leadership pays attention to the opinion and information from the employees and they can filter the useful things from them, so they can rely on their colleges. With this move they will increase the motivation and the satisfaction of their employees.(Borgulya Ágnes, Somogyvári Márta (2007): Kommunikáció az üzleti világban)

3. BASICS OF COMPANY LEADERSHIP

The basic duties of leadership can be put into four categories, by name they are Planning, Organizing, Leadership Style and Control. Different status leaders make these things in different subdivision. The first line leaders main duty is to lead and control, the middle class leadership handles Organizing and some leading as well and the top leaders concentrate on the Planning.

During the planning born the company's principles and goals, which can be planed for different time periods. The company can have short, medium or long term goals, the point is that these should supplement each other, built into each other and should be headed and work into the same direction.

The planning phase can be put into five sections. The first one is goal setting, where the principles should be defined and gives a starting point for the company. This followed by the companies external and internal environment analysis, where the company gets a real pictures of its advantages and disadvantages and also get the data from market environment's positive and negative changes. The third step is choosing a strategy, which is decided by previously analyzed data and they check market expectations and choose the most suitable method for the company, also that it's should fit into the set goals. The fourth period of planning is making a "the" plan, during this they define concrete processes like time period or stations and they approach main goals by different aspects such as like financial, legal and technical

ones. The last and fifth is the implementation of the plan, where they fulfill the set goals with constant control. All five planning phases should stand their ground in order to make the project successful.

"Organizing is a kind of structure development, which in order to make the goal successful and profitable, it coordinates concrete resources, assets and processes into harmony" (Primecz, 1999)

This means that leadership supposed to set goals to be fulfilled, define employees scope of work and decide how and in what order each part of the company should work together. After they defined the concrete goal, resources and processes, it's important that leadership led by an example should lead their employees. The difficulty is that leadership can be learned only to a certain level, this is why the leaders' personal experience and personality should be implemented too. The real commitment of the company's employees lie in the behavior of their boss and in what "message" he or she broadcast his or her communications. My opinion is that the style of the person is the person itself. Employees use to categorize their bosses by their behavior and this effects not only their motivation, but the whole company itself.

The last section is control, which's purpose that leadership verify, that to achieve set goals everything going in the right direction. Also in cases of error or problems, it present several method and procedures how to set things right and pact to the path of the original goal, in the way that it bothers the employees work processes in the least way. The other goal of control is to survey the set goals. It sets even before the starts of the procedure how much it's allowed to set of track until it reaches its final goal at the of the procedure. If it's below the set margin the whole plan need to be reconfigure in order to be satisfying.(Borgulya Istvánné, Barakonyi Károly (2004): Vállalati kultúra)

3.1 EFFECTIVE LEADERSHIP STYLES

The defining and analysis of leadership can be put into a whole other thesis. We can organize so many productive leadership styles. But my goal in this subchapter is to introduce several element how leadership can influence employee effectiveness.

By the definition of classical leadership effectiveness can be thanked to the structure of the organization and not its employees. The theory say that the emphasis is on the instructions, therefore the leader designate everyone's function by his only will, in by his knowledge everyone is able to work without a problem. This system can only work with orders and instructions. My opinion that this classical form isn't so motivating for the employees, because here their true knowledge and skill won't surface.

The next type by the leadership attribute theory is efficiency, which belong to the leaders skills and personality. They make successfulness belong to the leadership and not the company itself. Some say to be a natural leader you have to be born as one, but there are some case where this theory is criticized by examples where a great leaders didn't have those attributes and skills what are thought be necessary to be successful by this theory. But it's also true in the opposite way. There are cases when the leader have the right skill set by the theory but even with those he or she doesn't own a successful business. There for this theory become controversial, although it helped many other theories to be born.

One of these theories is more relevant, it's studies the behavior. Here they study attitudinal and behavioral attitudes, that how they affect the company or the entrepreneurship. Also here we can separate two groups from each other, the decision centered and the natural leaders. At the decision centered they study that by what kind of system does the leadership makes their decisions and how much they let the employees influences these. This answers the question if the leadership is

autocratic or democratic. Here the emphasis is on the behavior and the type of decision making. Theories based on personalities, the leader put the emphasis to goals and teamwork, because it search for who are the followers and who they follow. Above this it inspects what kind of guidelines appear from the leader. The theory studies two different sections but they still complete each other, so those who do this study can draw a parallel line between them.

As you can see there is no unified theory about the effective leadership style. The several types what was presented by me, were tried to be proved successful by several studies, with more or less success. In many cases these theories are based on each other and as time goes forward will they grow out to be complete ones. My opinions is that leadership style is a complex probative factor. The leader's born instinct, his or her experience and environmental factors combined result will hold the key to success. (Borgulya Istvánné, Barakonyi Károly (2004): Vállalati kultúra)

4. THE INTRODUCTION OF "KEL KFT."

In my thesis, I will analyze and introduce the company where i did my last summer professional training. Name is KEL (Kay EEULogistics) Trade and Logistics Limited company (Ltd. in Hungarian it's Kft.). The ownership belong to three person Zsolt Boch (Customer relation manager), Szabolcs Boch (Operative manager) and Erika Nádas (financial and economic manager) and as a family business it's operates. The three founders owned business share is equal as 33.33% - 33,33% - 33,33%.

The entrepreneurship was founded in December 1996. The original name and field of business was not the same as today. It started its main business in 1999 as trading cleaning products and tools in Hungary and later on in surrounding countries as Slovenia, Slovakia, Czech Republic, Poland, Bulgaria, Romania and in the Baltic countries, continuously improving their business. As their main activity, they are the suppliers of cleaning products, tools and equipments, they also continuously train the stuff at places as big chain restaurants (McDonald's, Burger King, Subway, KFC, Pizza hut even Hesburger), coffee places (Starbucks, Costa, Café heaven) and even some gas stations in the mentioned regions. The entrepreneurship the representative to ECOLAB American company who is a detergent manufactures and the Danish Vikan company who code they cleaning products by color.

The business have a central office in Pécs, Hungary, two field offices in Budapest and Prague and they have a 800 m2 warehouse also in Pécs where all the distribution and logistics are handled. The warehouse and the central office is in 15 minutes car ride distant from each other. The offices is in the middle of the city so it's close for local restaurant and downtown, so it's provide good business opportunities locally. The ware house is close to the edge of the city, next to some major roads and because of this trucks who come in and going are can easily approach it. It's a good

logistical placement by my opinion. The logistical duties are handled by two of their own truck and many other third party companies. Transportation to close destination the company handles themselves, as for distant rides they order logistical companies such as like GLS, DHL, TNT or Trans-o-flex. They work with several of these companies and they choose which gives the better price and time line.

The activities of KEL Ltd are handled by seven employees in Hungary and two abroad. The three owners also work in Hungary and they are working actively inside their company. They are responsible for procurement, customer relations and financial tasks and for the coordination of the employees. There is two office assistant at the central office under the three owner. They handle processes connected to local and foreign purchasing, billing, coordination. All of the administrative work and e-mail comes to them and they prioritize them and send them to their superior. In the warehouse located at Pécs, there are also two employees, who handle logistics and freight forwarding part of the company. Their main task is to receiving goods and assemble and organize the transportation of the incoming orders. The colleges abroad handle some administrative work, customer support and some shipping, in some cases the company hires third party companies to do these jobs. The staff of the company is only a few but because if the roles well created, the company's processes goes fluently and successful.

The company's share capital is 3.000.000 Ft (around 9.600 EUR) . The quota adopts to the members capital contributions, which is 1.000.000 Ft (3.200 EUR) , this is how they can the 33% - 33% - 33% share. In 2012 the turnover was 400.377.000 Ft (1.260.000 EUR) and the profit was 46.307.000 Ft (147.000 EUR) In 2014 there was a slight increase, turnover 459.615.000 Ft (1.459.000 EUR) and profit was 79.330.000 Ft (251.840 EUR). The 2015 sales data was not available when I was working there but the manager said he expects this year a 10% increase.

4.1 HISTORY OF THE COMPANY

KEL (Kay EEULogistics) Trade and Logistics Limited company started its distribution in 1999 with the goal to be the local representative distributor for an American company KAY Chemicals. The foundation was not expected. It was more likely to be at the right place at the right time situation, when the co-owners saw the business opportunity in the microbiology products. In the beginning the goal was to look for new business partners and introduce the products to the market, believing that the business will start to flourish.

The company had a profile change in 2007, which was to mostly concentrate to big fast food restaurant chains and that they will be the main supplier of detergents, color-coded cleaning tools and systems of them. Most of the detergent products are shipped in form of concentrate and carton packs for professional users.

The achievement for shipping for the chain restaurants (QSR – quick services restaurant) was the work of several months of negotiation, which's focus was the agreement with the headquarters of the restaurants. Before the agreement, however there was several test and trials for the products, that are the future customers satisfied with the detergents and tools.

KEL ltd. also handle the distributions of the dispensers of the detergents and they also install, maintain and visit these system owners regularly.

The production of the products happen in Belgium form where shipments to Hungary comes in every three weeks. All of the company's products held in the Pécs's warehouse. The average stock level of the warehouse equals the one, one and a half month demand of the buyers.

Because of the effectiveness of this division of the American company, in 2003 the mother company recommended that above Hungarian sales this division should expand to middle and eastern European markets. Also in 2005 the company

completely expended to the Balkan region. Today our customers in Czech republic and Slovakia get their detergent and tools form local offices.

The company in the past fifteen years made a big customer base. The growth still continues nowadays as they try to get new and new customers. In the first years the goal was to expand inside Hungary. Before the prosperity, there were many negotiations and test runs, but when one the bigger restaurant chains approved their products sales started to increase drastically. During the sales of the KAY chemicals detergents, they also slowly started to introduce Vikan's color coded cleaning tools. Vikan is a Danish company, who produce metal, wood and plastic cleaning tools. Because of this high quality why they started to introduce these products next to the detergent. One of the biggest advantage of these product that they are color coded, there is red, green, blue, white, black, orange, yellow, and even pink. You can pick up any of their mop, haft, broom and any other accessory for inside or outside cleaning. Color code help to separate the equipment from different rooms and areas and with this cross-contamination can be eliminated, for example they use blue in restrooms and red in kitchen. This system is satisfactory because of its clarity and that it's accepted and recommended by food hygiene safety regulations, that why the big international company look for such products.

4.2. ANALYSIS OF KEL LTD.

In pervious entries I introduced and studied, the basics of organizational culture and its functions for operation a company, basics of leadership and the importance of communication. By goal was to give a clear picture and instruction for future company analysis. I also presented company standings and what kind of need and attentions needed there. My final goal is through KEL ltd. analysis is to show how important are general and leadership communication, the system of leading and decision making, also reasoning model leadership follows.

Under my three month professional training at KEL ltd., I get know basic knowledge of human skills that is necessary in order to work in an already existing company. How to prevail, contribute and help in the company's fluent work and growth. I was also active member of business processes and communications like negotiation , decision making, taking responsibility and several other processes what required professional and personal communication. I also had several other professional tasks beside these what gave me good work experience. At every of my work stations and work circle I spent several weeks. These were like ordering shipment from Belgium, inventory management system handling, contacting domestic and foreign partners and buyers, domestic and foreign shipment sending and receiving, customer support. So my theoretical knowledge was tested in the practical environment, also now as I wrote this thesis I recognized of the presence of previously studied areas. This analysis and opinions are based on my personal experiences and the help of the employees and managers of KEL ltd. They were very helpful.

I gave an similar interview to the three managers, one assistant and one of the warehouse workers and by these conversations on Skype and telephone I made my own conclusions. Their opinions and view were different many times in many cases.

It's visible that bigger goals are common, but they approach, attitude and thinking is different to a given situation. I asked questions based on previously mention and studied theories, so they cover the communication, behavior and organization part of the study and I also used a last model on the practical assessment, the McKinsey model. The people who I talked with were very helpful and detailed for that i wish to thank you them again here also.

Throughout the conversations, I have learned that the company have a stable and profitable situation and it took years of work to achieve this. But I just learned about the financial margins of the company but I have acquired a deeper knowledge of this company's culture. Because the owner take part actively in the daily task of the company, it can be said that they are motivated in the fluent and punctual work flow. The financial manager also said if she would be just an employee she wouldn't try to make her work so accurate and effective.

4.2.1 COMPANY ATMOSPEHERE

By my sight I would say that the company works very good and should be an example to follow, but I also say that internal atmosphere is not as good as the company. The owner ships is built on relative relationships. Family business have its advantages like trust, flexibility and informative discussions, but also have its flaws like arrogant expression style, lack of appreciative words, lack of respect and too close relationships. I think this effects the whole company. There is usual huge tension between the managers and their employees. This can be originated from the previously mention family/manager relations and from the lack of daily discussion of the current situations. From the constant urgency feeling comes form that many task are made in haste and not good and from this comes that there is the lack of good time management at this company. The main reason of the tension is that everything is expected to made in a hurry. The company and employees can handle these, but because of the haste there is no peaceful, balanced work and environment. I

recommended to the company that they should held meeting in two weeks where they can discuss current situations and problems and with these they can make a more friendlier work environment for both sides. But for this to work, both the managers and employees should be active and pay attention of the other ideas and remarks. The goal also here to make idea exchanges in a efficient and time managed way.

The current company atmosphere quality can be thanked to the frequent disagreements and arguments. By the question I have asked to all the participant it was clear that argument and tension making situations are on a daily basis. I had chances to be present on formal meeting and discussions, where I noticed that it's not only they can agree on current problems, but they also bring up past unsolved issues which generated even more tension between everyone. My experience and observations from the conversations I have done, it looks like the main source of problem that managers don't appreciate the value of each other's work. There is a kind of rivalry present that who's work is more important, instead of helping each other's work for a more peaceful environment. If we think about the current situation of human resources we can see that everyone is replaceable, so in this case they shouldn't pay attention what each one is doing in the company but how effective they are doing their jobs. In case of employees it's different, because they evaluated separately by a quarterly held discussion. The analysis of effective is important from top to bottom, because this is how employees get their evaluation and appreciation, but as the saying goes " the fish smells from its head" , therefore it would be more important that there should be feedback between the management as well because this is the only way they get a clear picture of the company, when they can from a clear picture of themselves and the other managers. It's also important that evaluated shouldn't take evaluation as a personal offense, but as a building criticism. In many cases as it comes from human nature, people take is offensively when someone say out loud the truth about them. My opinion is that they should listen to the criticism

and if there is truth in them, they should accept it and then change that behavior. I think all of the big changes comes from these small steps.

Atmosphere is also weakens when managers suddenly change their expectancy. The managers age is between forty four and fifty and by this age everyone final values, measure and priority sets. In the past fifteen years these values and standpoint didn't change, but as I heard these have changed at the manager level in the past few years. As I see it's because as one partner is a satisfied with the financial margins the other is not.

4.2.2 THE DECISION MAKING AND COMMUNICATION FEATURES

During my traineeship at KEL Ltd., it was clear that formal decision are solely made by the three managers. In these cases they don't ask for the opinion of the employees, vote is made between them only with each have the same amount of influence. My experience that KEL Ltd. is a power based company by Handy's model. Leaderships decision dominates and employees don't question these. As I wrote it down before, because the decision is made by the leadership only, it's rationality is only influenced by the leadership's personality and knowledge. As for daily smaller decision leadership ask the opinion of the employees. In these cases their opinion does matter, because from their work area expertise they know better their own area, so they can present constrictive ideas.

I showed the importance of communication in my previous entries. And now I am certain of its presence in KEL Ltd., but the company have issues with it. The informal and formal element can be separated clearly. The informal communication is not high context. Employees only communicate with each other as their college relationship requires. My opinion is that it's play a part in the high tension level that employees can't let them a bit loose during conversation at work or even before and after it. The general questions are present like "how are you", "how's it going", but meeting or organizing events outside the company nobody takes part. I tried to

recommend these activities to them, but you can't force a person for a friendly discussion with a colleague or to make friendship between them also the constant power play between the managers also influence these in a negative way.

The formal part of communication is also not perfect. During meeting and discussion I have noticed that most of the communication is not clear at all and this vision of mine was agreed by the financial manager. My opinion is that in many cases the questions are not clear and they are avoiding the concrete expressions of some topic.

From my perspective if a clear question is made, then you can only give a clear answer for it. I also noticed the previously studied Hungarian trait in communication here as well. At the customer relations manager I experienced that he can't say no. This is positive until he can handle the tasks he should deal with, but as I saw in many cases he takes more than he can handle, which leads to haste, tension and incorrect work. In these cases he only does half job or gives the already started one to someone else. There is no chaos in the current situation because there are the other managers and assistants behind him, who can handle and diffuse these problems with their great problem solving skills. But even if this sounds like a good work process, this is cleaning up after him instead, which can't be expected from his colleagues on a daily basis, if they expect everyone for efficient work in their own areas.

4.2.3 MCKINSEY'S 7S MODEL

My goal with this model is to show a more complex picture of the importance of cultural elements and their determinative attributes inside KEL Ltd.. The model was made by the two employees of James O. McKinsey's company, Tom Peters and Robert Waterman. During their study they realized, that behind every successful company, there is a strongly used deep culture. The model shows the necessity of company culture and its position in the company's moral and coordinating system. The elements can be divided into two groups by their "sensitiveness", they can be soft

and hard elements. Hard element contains strategy structure and systems, as for soft elements they are skills, style, and value system. I am using the 7S system with my experiences and discussion I made with the members of the company.(tompeters.com/2011/03/a-brief-history-of-the-7-s-mckinsey-7-s-model/ 2016)

The current strategy of the company is to keep and serve current customers, also to expand its market in the neighboring countries. Competitor have similar quality product abroad as in Hungary, although market expansion started later and now it's slower. This comes from mostly because of language and cultural differences. As a foreign supplier it's harder to built trust with the customers, also the displacement of the competitors takes time, because then enjoy the "domestic advantage", but for the company it promising that the expansion is continues. The company's goal are realistic and achievable, because the base culture of the company is prepared for domestic and foreign supplying and it's dedicated enough to the job right. Strategic goal only fulfilled if the company is flexible , receptive for new things and information and if he is active in doing its work.

By the strategic behavior mode typology KEL ltd. is clearly a Santa Maria category. For the whole nature of the company its typical that is open for new business opportunities and market expansion. They do this strictly with detergent and cleaning equipment selling and they don't bother with any other completely different business area.

During the study of structural elements, I learned that KEL ltd. is working as a really simply functional form. The decisions which have made at higher levels, reaches employees in a hierarchy order and they do their job in a compliant way. By structural characteristics it's strategy orientation is "tiger". The level of advancement is constant and they always search for new business opportunities. Although the tiger category mostly suits big companies, KEL ltd. with is small stuff and yearly

accomplishments are also member of this category, because it has the entrepreneurial skills and flexibility and also acquired a huge amount of experience in the field of detergent and cleaning equipment selling.

When I checked the system of the company, I saw that work processes from ordering until billing are well separated and with this there won't be turmoil or doing each other's jobs. It's important that work phases are punctual and they fit into each other clearly and logically. This was the reason how I was able to work and study each of the work phases at the company.

Beside the fragmentation, they are helped by inventory management, banking, invoicing and accounting systems. Each program is compatible with each other, by this they are helping administrative work. For example in the case with electronic billing, the bill automatically get into the accounting program, in this case the company's accountant only have to check the results of the program. Beside the technology of the modern world, the company uses "common sense", as one of the manager said. Because of their size they are able to see through the things that happen around the company and by the intuitive problem solving works. This is a competitive advantage against the bigger companies, who are not able to see things through, because there is to many things to keep together.

My study until this point was by McKinsey's hard elements, those elements, which are essential to every company or entrepreneurship, they are kind of entry, basic condition in the matter of the free market competition. But the company's real culture is made by the soft elements, these things are hard to copy, because they existence is not made by financial margins and legislations, but by behavioral form which are hard to determine. Probably this is the most hard part of my thesis to understand, because I try to make a conclusions, which in a normal case is inexplicable. These factors and values exist in our minds.

I took the strong points of the company from the insight of the leadership, because the company works currently by the picture in their heads. Here not the skills of the leadership what is important, but what the company as whole can achieve against competition. The biggest advantage of KEL ltd. that its flexible and practical. In case of any complication the company puts hard problem solving efforts into it, and with this lower the amount of unsolved problems in front of them. They are open for customer needs and services and supplying is fast.

Strength of the company, that because of its current customer circle he hold a solid place on the market. KEL ltd. took the place of previous competition. It's thanks to the quality of their products, because as they slowly put into the market, the older ones disappeared. In this case they don't have to worry about competitor expansion. Mr. Boch also said that the products of the competition is weak and he can say this by his own experience.

Another strength of it that its customers are satisfied with the products and they don't plan to change them. Orders coming is are constant and rhythmic , the supply coming and going out from the warehouse can be well planned. It's also important that most of the customers of KEL ltd. stand on solid feet., and b this they monthly supply request won't be skipped. This is also empowered by the fact that the given restaurant chains have to go through highly health and clean inspections and their amount if income won't affect the need for detergent products. By this, these company needs can be planed, by financial point of view, which is big advantage for the company.

Other important factor that the company keep great relationship with their customers. They try to prioritize personal meeting and with that enforce personal connection and get closer to clients. By doing so they can understand client insights and point of views and with the feedback they can turn it around in their own good.

These detergent and cleaning tools are premium category and production quality and pricing are also on the same level. The company demand a strict attention to financial status from itself and from its partners, they only target those who are able to pay for their products and they only keep business with those who are able to pay in time. Also the implementation of the products is prelude by a testing phase. The real deal and selling can be made at the end of a slow process. But this advantage is that if it really convince the customer, they won't go to another product easily. The standard of the company is raised by the fact that the mother company abroad, offered the market expansion to the Baltic countries, to the Hungarian division, so all the product there have to go through KEL ltd. Also by my standard it's a huge this and it shows that the mother company plans with KEL ltd in a long term.

To the standard skill of the company, good staff is essential. In the current situation all of the stuff is completely capable for doing their part of the work and they a working at maximum effect. Their loyalty and motivation to work isn't too high as I recognized during my work time and conversation, but this isn't so low to influence the work efficiency. Employees do their jobs and by the leadership point of view this is the most important part. I also think employees work is good for practice and learning, but by career point of view in a long term it's boring and there isn't so many challenges.

My last point of study goes around the style of the leadership. I think this is the most important part of the soft elements. It bears things what cannot be learned in school and can be formed only through hard work. This is what determine the main element of a company's culture. Unwittingly or by will leaders form their company to their own image. At this company I determined that it has autocratic leadership style. As I wrote before, decisions are made by leadership, their determine tasks and in what order they should be done. Employees need the coordination of the leadership, because in case of a problem they ask for their guide and with it they

can go forward. I think it a positive thing that employees always get their answers. The three owner have an incredible background knowledge. All three of them make one, because there are professional differences, but together they work great.

At the size a company like this, I can only imagine autocratic leadership system. It wouldn't be effective in a democratic system, because they saying of the employees would not change anything in their activities and job.

I think leadership, especially the financial manager have a good influence on their colleges and motivates them. It's important that inside the company she takes the most responsibility. This result clear communication and directness from her. And because of this, employees and even the other managers know that there is no equivocation with her, because she have clear questions and answers. I think this is a core leadership ability. Because leadership can only expect the thing that they do themselves.

The six previously studies element makes the company whole values system, the factor which determine the company's culture itself. In case of KEL ltd. it's punctuality, concentration, group work, adaptation and optimalization what is common. The company try to do their work efficiently with group work and part task coordination. Beside profit company's mission is also optimalization. Leadership know all about the expenses and they try to operate the company in the most cost effective way. The emphasis is not on saving money to make the most out of the costs and expenses.

From the model I can make the conclusion that this company is stable, goal orientated, active, long term planed, practical and a good problem solver. The company lay on good core. The experience and determination of the leadership is visible, but I would still recommend that they would work on their leadership style. Tasks are well separated and they are easily done be all the employees and managers, work process connect to each other perfectly, but the improvement of

human relations is necessary. The current priority should be accepting each other at the company as they are and make clear communication.

5. CONCLUSIONS AND DISCUSSION

The point of my thesis was that I introduce and study different theories and point of views in the managemental culture. The main goal was that I give a global picture to the reader, that which are those cultural element which define the everyday life of a company and by this determine the way of work processes inside the organization.

With my theoretical studies I presented that knowing and using the culture properly is essential for a company in order to be successful. It serves as a plus, which if it exist help from the back ground or if it's missing it's hinder the work processes. The culture's acquisition and learning inside a company is not an easy task. My opinion that leadership should also pay serious attention to it as well, because it's form company behavior in the core. To the question "what is organizational culture", there is still no exact answer, but in the knowledge of the right element it can be learned and improve inside the company.

My first hypothesis is that the leader of the company is the starting point of all things, by my opinion still stands it's ground. There is many external environmental effects that influence the leader, but it's personality and decisions what define him. In the company what I studied, I think success can be look for in the shared goals and shared decisions, which in this case is lack between the managers. The level of satisfaction is decreasing and other not approachable goals are made, which take lot of time and energy from the members of the company. If they make these goals approachable and follow the principle what was set before, they can achieve

improvement in these matters. I think its necessary that employees work, help and appreciate each other more. The company stand on solid feet and I recommended to keep and improve further this solidness. I think for it's necessary that all three manager approach this problems with clear head and without competing and also without making employees unapproachable task.

Beside this I also recommended the improvement the handling of conflicts, throughout improving communication and they should solve problems together. For this is necessary to change the style of communication inside the company. Also this opinion of mine confirms my second hypothesis, that at KEL ltd. its common and regular what is for most of the Hungarian organizations. I think high context communication here positive because the members of the company can other stand each other from half word, but I miss the directness and clearness of the communications. Intentionally or unintentionally, but the elements of the old system comes up. With clear talk and expressions they can improve and be even more successful. Beside this I also think member should take professional and personal responsibilities for their work. In problematic conflict situation I really think they should also analyze and evaluate themselves and they should support and enforce the results and lessons they learn from these.

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