

# *Evaluation of the Strategy for Organizational Culture and Identity in Alfa Laval*

## *- with special focus on the Peruvian subdivision*

*A Study of How Internal Corporate Ideals and External Cultural Values Affect Organizational Culture and Identity in International Corporations*

Table 4. Ideal organizational culture and identity in Alfa Laval

	Ideals in Alfa Laval – Keywords
<p><b>Organizational Culture</b></p> <p>(What values and traits should characterize the behavior of our employees?)</p>	<ul style="list-style-type: none"> <li>➤ Style: Open, informal, and friendly style and appearance</li> <li>➤ Communication: Straightforward, honest, open, and direct</li> <li>➤ Values: Courage to change and adapt, cost-effectiveness, flexibility, performance, integrity, energetic drive, curiosity, diversity, equality, emotional involvement, team work, and an investigative attitude</li> <li>➤ Basic assumption: Customer orientation</li> </ul>
<p><b>Organizational Identity</b></p> <p>(How do we want our employees to perceive their workplace Alfa Laval?)</p>	<ul style="list-style-type: none"> <li>➤ Leader and yardstick of the industry</li> <li>➤ Reliable quality products and highly skilled employees</li> <li>➤ Customer-oriented with ability to constantly change and adapt</li> <li>➤ A fun, challenging, developing, and rewarding work-environment</li> <li>➤ One corporate culture</li> <li>➤ Environmentally sustainable operations</li> <li>➤ Social responsible</li> <li>➤ High ethical standards in business conduct</li> <li>➤ Transparency through open dialogue</li> </ul>

Table 5. Effects of Scandinavian cultural context on organizational behavior and ideals in Alfa Laval

Cultural Value	Organizational Behavior	Ideals in Alfa Laval
<b>Low Power Distance</b>	<ul style="list-style-type: none"> <li>• Democratic management style.</li> <li>• Flat organizational structure.</li> <li>• Employee involvement through delegation and participation in decision-making.</li> <li>• Employees take initiatives.</li> <li>• Open, honest, and direct communication between all.</li> <li>• Same rules apply to all.</li> <li>• Disapproval of status symbols.</li> </ul>	<p><i>Culture:</i></p> <ul style="list-style-type: none"> <li>• Equality</li> <li>• Diversity</li> <li>• Straightforward and direct style.</li> </ul> <p><i>Identity:</i></p> <ul style="list-style-type: none"> <li>• Transparency through open and honest communication.</li> </ul>
<b>Individualism (with collectivistic traits)</b>	<ul style="list-style-type: none"> <li>• Employee autonomy and independence.</li> <li>• Auto realization as motivator.</li> <li>• Deal-orientation.</li> <li>• <b>Team-work.</b></li> </ul>	<p><i>Culture:</i></p> <ul style="list-style-type: none"> <li>• Employees expected to be autonomous and independent with an investigative, curious attitude.</li> <li>• <b>Team-work.</b></li> <li>• <b>One corporate culture</b></li> </ul> <p><i>Identity:</i></p> <ul style="list-style-type: none"> <li>• Challenging, fun workplace.</li> <li>• <b>Social responsibility and environmental awareness</b></li> </ul>
<b>Low Uncertainty Avoidance</b>	<ul style="list-style-type: none"> <li>• Flexible operations.</li> <li>• Few rules: informal dress-code and interaction manners.</li> <li>• Autonomy and willingness to take responsibility</li> <li>• Organizational changes can be successfully implemented.</li> </ul>	<p><i>Culture:</i></p> <ul style="list-style-type: none"> <li>• Flexibility.</li> <li>• Investigative, curious attitude.</li> <li>• Diversity.</li> </ul> <p><i>Identity:</i></p> <ul style="list-style-type: none"> <li>• Ability to change and adapt.</li> </ul>
<b>Femininity (with masculine business values)</b>	<ul style="list-style-type: none"> <li>• Companies accept social responsibility.</li> <li>• Companies pay attention to environmental issues.</li> <li>• Win-win approach based on honesty and trust.</li> <li>• <b>Effectiveness, profit, and leadership.</b></li> </ul>	<p><i>Culture:</i></p> <ul style="list-style-type: none"> <li>• Honesty and integrity.</li> <li>• Cooperation with customers.</li> <li>• <b>Cost-effectiveness and performance.</b></li> </ul> <p><i>Identity:</i></p> <ul style="list-style-type: none"> <li>• Customer-orientation</li> <li>• Challenging, fun workplace.</li> <li>• Social responsibility.</li> <li>• Environmental awareness.</li> <li>• Integrity.</li> <li>• <b>Leader and yardstick of the industry.</b></li> </ul>

Table 6. Cultural values and organizational behavior in Peru

Cultural Value	Organizational Behavior
<b>High Power Distance</b>	<ul style="list-style-type: none"> <li>• Autocratic, paternalistic management style.</li> <li>• Low employee involvement.</li> <li>• Bureaucracy.</li> <li>• Team-work not commonly used.</li> <li>• Formal communication patterns.</li> <li>• Hierarchical organizational structure.</li> <li>• Discrimination and inequality in salaries and selection procedures.</li> <li>• Formal control as motivator.</li> </ul>
<b>Collectivism (with individualistic traits)</b>	<ul style="list-style-type: none"> <li>• Relationship-orientation.</li> <li>• Extrinsic motivation, e.g. Rewards and public recognition.</li> <li>• <b>Competitiveness.</b></li> <li>• <b>Team-work not commonly used.</b></li> <li>• <b>Cero-sum approach.</b></li> <li>• <b>Bribery and corruption.</b></li> </ul>
<b>High Uncertainty Avoidance</b>	<ul style="list-style-type: none"> <li>• Formality.</li> <li>• Bureaucracy.</li> <li>• Discrimination.</li> <li>• Formal control.</li> <li>• Display of status symbols.</li> </ul>
<b>Masculine Values</b>	<ul style="list-style-type: none"> <li>• Competitiveness.</li> <li>• Team-work not commonly used.</li> <li>• Cero-sum approach.</li> </ul>

Table 7. Real organizational culture and identity in Alfa Laval Peru

	Reality in Alfa Laval Peru – Keywords
<p><b>Organizational Culture</b></p> <p>(What values and traits characterize the behavior of the employees?)</p>	<p><b>In line with the ideals:</b></p> <ul style="list-style-type: none"> <li>➤ Values: Customer-orientation, low discrimination, employee independence in the work, motivation through auto-realization, informality, cost-effectiveness</li> <li>➤ Organization: Flat organizational structure</li> </ul> <p><b>Deviations from the ideals:</b></p> <ul style="list-style-type: none"> <li>➤ Communication: Indirect and restrained, lack of transparency.</li> <li>➤ Values: Display of status symbols, importance of control, scapegoats</li> <li>➤ Organization: bureaucratic decision-making, division between departments and lack of unity and team-work.</li> </ul> <p><b>Ambiguities:</b></p> <ul style="list-style-type: none"> <li>➤ Employee independence ↔ high control</li> <li>➤ Flat organizational structure ↔ hierarchical elements</li> <li>➤ Employee independence in daily work ↔ bureaucratic procedures with low employee empowerment.</li> <li>➤ Open, direct communication encouraged ↔ employees feel lack of information.</li> </ul>
<p><b>Organizational Identity</b></p> <p>(How do the employees perceive workplace Alfa Laval?)</p>	<p><b>In line with the ideals:</b></p> <ul style="list-style-type: none"> <li>➤ Pioneer of the industry (although with slow decision-making)</li> <li>➤ Reliable, quality products</li> <li>➤ Skilled employees</li> <li>➤ Customer oriented</li> <li>➤ Fun, challenging, developing, and rewarding work environment</li> <li>➤ Social responsible</li> <li>➤ High ethical standards in business conduct</li> </ul>