

Organisational culture types forecast corporate social responsibility

Ülle Übius

Estonian Business School, PhD student, Estonian Business School, Tallinn, Estonia

Professor Ruth Alas

Estonian Business School, Vice-Rector for Scientific Affairs, Head of Management Department,
Estonian Business School, Tallinn, Estonia

Abstract

The purpose of this paper is to investigate connections between corporate social responsibility and organisational culture. The survey was conducted in Estonian, Chinese, Japan and Russian electric-electronic machine, retail store and machine-building enterprises. Linear regression analysis was done in order to analyze connections between corporate social responsibility and organizational culture. All four organizational culture types - hierarchy, clan, market, adhocracy predict the facet of corporate social responsibility - the firm performance concerning social issues. 2 organizational culture types – clan and market predict the facet of corporate social responsibility - the firm respects the interests of agents. The model was developed in order to explain how 4 organizational culture types - hierarchy, clan, market, adhocracy - predict 2 facets of corporate social responsibility - the firm performance concerning social issues and the firm respects the interests of agents.

Keywords – Corporate social responsibility, organizational culture, electric-electronic machine enterprises, retail store enterprises, machine-building enterprises, Estonia, China, Japan, Russia.

Research was supported by ETF grant 7537.

Introduction

This paper analyses connections between corporate social responsibility and organisational culture in Estonian, Chinese, Japan, and Russian electric-electronic machine, retail store and machine-building enterprises.

The main research question is: Are there connections between corporate social responsibility and organisational culture?

Corporate social responsibility extends along the whole chain of value creation. For example, corporations must provide the necessary information, education and training to suppliers and clients to ensure that a product or service can be effectively and safely used. Corporate social entrepreneurship is strictly defined as the transformation of socially and environmentally responsible ideas into products or services. The last decade has seen many individuals come up with innovative ideas to address the specific social and environmental needs of the communities in which they are living. Today, pioneering enterprises integrate social entrepreneurship into their core activities by actively channelling their research-and-development capabilities in the direction of socially innovative products and services (Schwab, 2008).

Most organisational scholars and observers now recognize that organizational culture has a powerful effect on the performance and long-term effectiveness of organisations. Empirical research has produced an impressive array of findings demonstrating the importance of culture to enhancing organizational performance (Cameron and Ettington, 1988; Denison, 1990; Trice and Beyer, 1993).

This study, therefore, investigates how organizational culture types predict corporate social responsibility. Data is collected from empirical studies in Estonian, Chinese, Japan and Russian electric-electronic machine, retail store and machine-building enterprises and the results are discussed.

Theoretical framework

Corporate social responsibility (CSR)

Different organisations have framed different definitions about CSR - although there is considerable common ground between them.

CSR is about how companies conduct their business in a way that is ethical. CSR is about how companies manage the business processes to produce an overall positive impact on society. The World Business Council for Sustainable Development in its publication "Making Good Business Sense" by Lord Holme and Richard Watts, used the following definition. "Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large".

Corporate social responsibility is a concept whereby companies fulfil accountability to their stakeholders by integrating social and environmental concerns in their business operations. (Tanimoto and Suzuki, 2005).

Today, corporate social responsibility extends along the whole chain of value creation. For example, corporations must provide the necessary information, education and training to suppliers and clients to ensure that a product or service can be effectively and safely used. Corporate social entrepreneurship is strictly defined as the transformation of socially and environmentally responsible ideas into products or services. The last decade has seen many individuals come up with innovative ideas to address the specific social and environmental needs of the communities in which they are living. Today, pioneering enterprises integrate social entrepreneurship into their core activities by actively channelling their research-and-development capabilities in the direction of socially innovative products and services (Schwab, 2008).

Organizational culture

By Schein (1992) organisational culture is the pattern of basic assumptions that a given group has invented, discovered or developed in learning to cope with its problems of external adaptation and integral integration. Trice and Beyer (1993) have also connected culture with environment, seeing organisational culture as a collective response to uncertainty and chaos.

Researchers Hofstede (1980) and Trompenaars (1992) have reported marked differences among countries based on certain key dimensions. For example, national differences exist among countries on the basis of universalism versus particularism, individualism versus collectivism, neutrality versus emotionality, specificity versus diffuseness, focus on achievement versus ascription, focus on past versus present versus future, and an internal focus versus an external focus (Trompenaars, 1992).

According to Cameron and Quinn (1998) culture defines the core values, assumptions, interpretations and approaches that characterise an organization. Competing Values Framework is extremely useful in helping to organize and interpret a wide variety of organizational phenomena. The four dominant culture types – hierarchy, market, clan and adhocracy emerge from the framework. Most organizations develop a dominant cultural style. More than 80 percent of the several thousand organizations they have studied have been characterized by one or more of the culture type identified by the framework. Those that do not have a dominant culture type either tend to be unclear about their culture, or they emphasize nearly equally the four different cultural types.

The Hierarchy Culture

Weber (1947) proposed seven characteristics that have become known as the classical attributes of bureaucracy (rules, specialization, meritocracy, hierarchy, separate ownership, impersonality, accountability). They were adopted widely in organizations whose major challenge was to generate efficient, reliable, smooth-flowing, predictable output.

The organizational culture compatible with this form is characterized by a formalized and structured place to work. Procedures govern what people do. Effective leaders are good coordinators and organizers. Maintaining a smooth-running organization is important. The long-

term concerns of the organization are stability, predictability and efficiency. Formal rules and policies hold the organization together. Large organizations and government agencies provide prototypical examples of a hierarchy culture. Key values center on maintaining efficient, reliable, fast, smooth-flowing production. New employees begin by doing only one specific job. One requirement for promotion is knowledge of these rules and policies (Cameron and Quinn, 1998).

The Market Culture

The market culture type was based largely on the work of Williamson (1975) and Ouchi (1981). The term market is not synonymous with the marketing function nor with consumers in the marketplace. Rather, it refers to a type of organization that functions as a market itself. It is oriented toward the external environment instead of internal affairs. It is focused on transactions with external constituencies including suppliers, customers, contractors, licensees, unions, regulators and so forth. And, unlike a hierarchy where internal control is maintained by rules, specialized jobs and centralized decisions, the market operates primarily through economic market mechanisms, mainly monetary exchange. That is, the major focus of market is to conduct transactions (exchanges, sales, contracts) with other constituencies to create competitive advantage. Profitability, bottom line results, strength in market niches, stretch targets and secure customer bases are primary objectives of the organization. The core values that dominate market type organizations are competitiveness and productivity. Competitiveness and productivity in market organizations are achieved through a strong emphasis on external positioning and control. The basic assumptions in a market culture are that the external environment is not benign but hostile, consumers are choosy and interested in value, the organization is in the business of increasing its competitive position and the major task of management is to drive the organization toward productivity, results and profits. It is assumed that a clear purpose and an aggressive strategy lead to productivity and profitability (Cameron and Quinn, 1998).

The Clan Culture

A number of researchers observed fundamental differences between the market and hierarchy forms of design in America and clan forms of design in Japan (Ouchi, 1981; Pascale and Athos, 1981). It is called a clan because of its similarity to a family-type organization. Shared values and goals, cohesion, participativeness, individuality and a sense of we-ness permeated clan-type

firms. They seemed more like extended families than economic entities. Typical characteristics of clan-type firms were teamwork, employee involvement programs and corporate commitment to employee. These characteristics were evidenced by semiautonomous work teams that received rewards on the basis of team accomplishment and that hired and fired their own members, quality circles that encouraged workers to voice suggestions regarding how to improve their own work and the performance of the company and an empowering environment for employees.

Some basic assumptions in a clan culture are that the environment can best be managed through teamwork and employee development, customers are best thought as partners, the organization is in the business of developing a humane work environment and the major task of management is to empower employees and facilitate their participation, commitment and loyalty. These characteristics have been advocated for decades by many writers (McGregor, 1960; Likert, 1970; Agyris, 1962).

The clan culture is typified by a friendly place to work where people share a lot of themselves. The organization is held together by loyalty and tradition. The organization emphasizes the long-term benefit of individual development with high cohesion and morale being important. Success is defined in terms of internal climate and concern of people (Cameron and Quinn, 1998).

The Adhocracy Culture

The root of the word adhocracy is ad hoc – referring to a temporary, specialized, dynamic unit. Most people have served on an ad hoc task force or committee, which disbands as soon as its task is completed. Adhocracies are similarly temporary. They have been characterized as "tents rather than palaces" in that they can reconfigure themselves rapidly when new circumstances arise. A major goal of an adhocracy is to foster adaptability, flexibility and creativity where uncertainty, ambiguity and/or information-overload are typical. An important challenge of these organizations is to produce innovative products and services and to adapt quickly to new opportunities. Unlike markets or hierarchies, adhocracies do not have centralized power or authority relationships. Instead, power flows from individual to individual or from task team to task team depending on what problem is being addressed at the time. A high emphasis on individuality, risk taking and anticipating the future exists as almost everyone in an adhocracy becomes involved with production, clients, research and development and so forth (Cameron and Quinn, 1998).

Connections between organizational culture and corporate social responsibility

According to Strautmanis (2007) social responsibility is part of organizational culture and a value in the organizational culture environment. Condition for the development of social maturity is intelligence, unity of professionalism and social competence, and human relations. Development of social responsibility is a change in values orientation, whose task is shaping the attitudes, transformation of the personal position so that it matches individual and public interests.

Based on the relevant literature we developed the following general propositions:

P1. Four organizational culture types – hierarchy, market, clan and adhocracy predict the facet of corporate social responsibility - firm performance concerning social issues.

P2. Four organizational culture types – hierarchy, market, clan and adhocracy predict the facet of corporate social responsibility - the firm respects the interests of agents.

P3. Different organizational culture types are dominating in enterprises from different countries.

Empirical study

The sample. The authors of this article conducted the study in Estonian, Chinese, Japan and Russian enterprises. In order to find connections between corporate social responsibility and organizational culture in Estonian, Chinese, Japan and Russian enterprises, the authors conducted an empirical study in 2007-2008. The research was done in Estonian enterprises with 623 respondents and in Chinese enterprises with 1150 respondents, in Russian enterprises with 684 respondents and in Japan enterprises with 1570 respondents. The companies were selected in a non-random manner, as the organisation registers do not have a solid basis for random sampling because only a fraction of the registered enterprises are active in Estonia, China, Japan and Russia. The total number of respondents was 4027.

Methodology. A standardised organizational culture and corporate social responsibility questionnaire comprising 83 items was developed by the Denki Ringo research group (Ishikawa et al, 2006) and translated from English into Estonian, Japan, Chinese and Russian. The questionnaire was administered in Estonian, Chinese, Japan and Russian electric-electronic

machine, retail store and machine-building enterprises. The questions in the survey addressed 4 different culture types – hierarchy, clan, market, adhocracy and 2 facets of corporate social responsibility - the firm performance concerning social issues and the firm respects the interests of agents.

Data about 4 different culture types and 4 different countries - Estonia, China, Japan and Russian were compared by means of the ANOVA-test. The linear regression analysis was used in order to find statistically relevant connections between corporate social responsibility and 4 organisational culture types - hierarchy, clan, market, adhocracy.

The main research question is: Do four organizational culture types – hierarchy, market, clan and adhocracy predict the facets of corporate social responsibility - firm performance concerning social issues and the firm respects the interests of agents ?

Results

The Four Organizational Culture Types

The Hierarchy Culture

Table 1 shows respondents opinions about their organisation as hierarchy culture type. Respondents rated highly the statement – one needs to control spending of resources strictly or total disorder will happen. Respondents rated lowly the statement - every process of work is governed in detail by instructions and rules.

Insert Table 1 here

The Market Culture

Table 2 shows respondents opinions about their organisation as market culture type. Respondents rated highly the statement – it is very important to feel market changes to react contemporarily. Respondents rated lowly the statement - management is apt to be behind the time for reacting to changing market.

Insert Table 2 here

The Clan Culture

Table 3 shows respondents opinions about their organisation as clan culture type. Respondents rated highly the statement – group everyone must put maximum effort to achieve common goal. Respondents rated lowly the statements - I would like to take part in company's decision making, because I think my opinion is important and projects are coordinated easily through all functional units.

Insert Table 3 here

The Adhocracy Culture

Table 4 shows respondents opinions about their organisation as adhocracy culture type. Respondents rated highly the statements – new ideas must be applied immediately otherwise they become old and obsolete and we constantly improve our methods of work to gain advantages over rivals. Respondents rated lowly the statement - I always have ideas that can be approved by management.

Insert Table 4 here

Corporate Social Responsibility

The firm performance concerning social issues

Table 5 shows respondents opinions about firm performance concerning social issues. Respondents rated highly the statement – realization of the best quality of products and services. Respondents rated lowly the statements - contribution to science and culture and public activities for local community.

Insert Table 5 here

The firm respects the interests of agents

Table 6 shows respondents opinions about the firm respects the interests of agents. Respondents rated highly the statements – the firm respects the interests of customers and consumers. Respondents rated lowly the statements - the firm respects the interests of trade unions and local community.

Insert Table 6 here

Organizational culture in Estonia, China, Japan and Russian

Table 7 shows dominant culture types in 4 countries according to respondents answers. In Estonian enterprises clan culture type was rated highly. In Chinese enterprises market and adhocracy culture types were rated highly. In Japan enterprises market and hierarchy culture types were rated highly. In Russian enterprises market culture type was rated highly. There are statistically significant differences between the countries concerning all 4 organizational culture types.

Insert Table 7 here

Connections between organisational culture types and facets of corporate social responsibility

Organisations with different organisational culture type may have a different understanding and perspective concerning corporate social responsibility. Our main purpose was to evaluate how organisational culture can predict corporate social responsibility. The authors used Linear Regression analysis. In the analysis corporate social responsibility was taken as a dependent variable and culture types as independent variables. We calculated a standardised regression coefficient Beta, which enabled us to predict how strongly organisational culture forecast corporate social responsibility. Analysis was applied separately for 4 culture types and for 2 facets of corporate social responsibility.

Insert Table 8 here

According to the linear regression analysis results in Table 8, all four organisational culture types - hierarchy, clan, market, adhocracy predict the facet of corporate social responsibility - the firm performance concerning social issues. Only 2 organisational culture types – clan and market predict the facet of corporate social responsibility - predict the firm respects the interests of agents.

Conclusions

Empirical study in four countries indicated connection between organizational culture types and corporate social responsibility. Based on results the model was developed how organisational culture types predict facets of corporate social responsibility (Figure 1). All four organisational culture types according to Cameron and Quinn (1998) - hierarchy, clan, market, adhocracy predict the facet of corporate social responsibility - the firm performance concerning social issues. 2 organisational culture types – clan and market predict the facet of corporate social responsibility - the firm respects the interests of agents.

Insert Figure 1 here

According to Cameron and Quinn (1998) typical characteristics of clan-type firms are teamwork, employee involvement programs and corporate commitment to employees and therefore it is firm's policy to respect the interests of agents. The market culture is focused on transactions with external constituencies including suppliers, customers, contractors, licensees, unions, regulators and so forth and therefore it is important for market culture-type organisations to respect the interests of agents. Clear lines of decision-making authority, standardized rules, procedures, control and accountability mechanisms are valued as the key to success in the hierarchy culture-type organisations and therefore these organisations are not oriented so much to respect the interests of agents. A major goal of adhocracy is to foster adaptability, flexibility and creativity where uncertainty, ambiguity and/or information-overload are typical to these adhocracy culture-type organisations and therefore these organisations are also not oriented so much to respect the interests of agents.

According to the results different culture types are dominating in enterprises from different countries. In Estonian enterprises clan culture type is dominating. In Chinese enterprises market and adhocracy culture types are dominating. In Japan enterprises market and hierarchy culture types are dominating. In Russian enterprises market culture type is dominating. Hofstede (1980) and Trompenaars (1992) have reported national differences among countries on the basis of universalism versus particularism, individualism versus collectivism, focus on achievement versus ascription, an internal focus versus an external focus and other dimensions.

In conclusion clan and market organizational culture types predict 2 facets of corporate social responsibility - the firm performance concerning social issues and the firm respects the interests of agents. Hierarchy and adhocracy organizational culture types predict 1 facet of corporate social responsibility - the firm performance concerning social issues according to this study in Estonian, Chinese, Japan and Russian electric-electronic machine, retail store and machine-building enterprises retail. Different organizational culture types are dominating in enterprises from different countries.

Implications for managers – there is connection between organizational culture and corporate social responsibility. Two organizational culture types – clan and market predict corporate social

responsibility. Two organizational culture types – hierarchy and adhocracy predict 1 facet of corporate social responsibility - the firm performance concerning social issues. Managers in a market culture type organizations are good at directing, producing results, negotiating and motivating others. When the organization is dominated by the clan culture, the most effective leaders are parent-figures, team-builders, facilitators, nurturers, mentors and supporters.

Limitations of study

There are also limitations in this study connected with its general framework. The authors have focused only on certain facets of corporate social responsibility that are connected with different organizational culture types, but there could also be other facets. The author explored concrete connections between a limited number of factors and the other influences have been left for future research. This research was done in Estonian, Chinese, Japan and Russian electric-electronic machine, retail store and machine-building enterprises and results from other countries and enterprises branches can be different.

Further research proposal

The connection between organizational culture and corporate social responsibility could be studied in more detail by using the model developed in this research. Organizational culture change over time and this impact on corporate social responsibility should be studied. Organizational leadership, effectiveness and quality management in different organizational culture types should be measured and connections concerning corporate social responsibility should be analyzed.

In order to get more information about the influence of institutional stage, comparative studies could be done in other countries such as other European Union countries, USA etc. Attention should also be turned to enterprises from other branches.

References

Argyris, C. (1964). *Integrating the Individual and the Organization*. New York: Wiley.

Cameron, K. S. and Ettington, D. R. (1988) The conceptual foundations of organizational culture. *Higher Education: Handbook of Theory and Research*, p. 356-396. New York: Agathon.

Denison, D. (1989) *Corporate Culture and Organizational Effectiveness*. New York: John Wiley.

Hofstede, G. (1980). *Culture's Consequences*. London: Sage.

Ishikawa, A., Mako, C. and Warhurst, C. (2006). *Work and Employee Representation: Workers, Firms and Unions*. Part 3. Tokyo: Chuo University Press.

Likert, R. (1970). *The Human Organization*. New York: Macmillan.

McGregor, D. (1960). *The Human Side of Enterprise*. New York: McGraw Hill.

Ouchi, W. G. (1981). *Theory Z: How American Business Can Meet the Japanese Challenge*. Reading, MA: Addison-Wesley.

Pascale, R. and Athos, A. (1981). *The Art of Japanese Management*. New York: Simon & Schuster.

Quinn, R.E. and Cameron, K.S. (1998). Diagnosing and Changing Organizational Culture: Based on the Competing Values Framework. Addison Wesley Longman.

Schein, E. H. (1992); *Organisational Culture and Leadership*, Jossey Bass Publishers.

Schwab, K. (2008). Global Corporate Citizenship. *Foreign Affairs*, 87 (1), 107-118.

Strautmanis, J. (2007). *Acquiring Corporate Social Responsibility Approach Through Business Study Process*. Riga: University of Latvia.

Tanimoto, K. and Suzuki, K. (2005). *Corporate Social Responsibility in Japan: Analyzing the participation companies in global reporting initiative*. Working Paper 208.

Trice, H. and Beyer, J. (1993). *The Cultures of Work Organizations*. Englewood Cliffs, NJ: Prentice Hall.

Tromperaars, F. (1992). *Riding the Waves of Culture: Understanding Diversity in Global Business*. New York: Irwin.

Weber, M. (1947). *The Theory of Social and Economic Reform*. New York: Free Press.

Williamson, O. (1975). *Markets and hierarchies, analysis and antitrust implications: a study in the economics of internal organization*. New York: Free Press.

Tabel 1. The hierarchy culture

		1	2	3	4	5	6	7	8	9
N=4027	M	3.66	3.30	3.57	3.83	3.29	3.20	3.52	3.81	4.06
	SD	1.00	1.06	1.01	0.97	1.21	1.01	1.14	1.07	0.90

Notes: 1 – satisfaction with the security of employment; 2 - management is sure that it controls activity of all departments; 3 – leaders & managers follow principles they set for the organization; 4 - there is a clear set of principles that are followed by organization in it's activity; 5 – we have informal norms and rules which are to be followed by everyone; 6 - every process of work is governed in detail by instructions and rules; 7 - rules of the company must not be disobeyed even if employee thinks that he acts in favour of company; 8 - instructions and regulations are needed to govern every process of work; 9 - one needs to control spending of resources strictly, or total disorder will happen; a five-point scale was used, where 1 signifies answer – disagree and 5 answer - agree.

Tabel 2. The Market Culture

		1	2	3	4	5	6	7	8	9	10	11	12	13	14
N=4027	M	3.64	3.82	3.31	3.64	3.70	3.49	3.62	3.69	3.33	3.57	2.73	3.39	3.49	4.24
	SD	0.94	0.89	0.97	1.05	0.86	1.01	0.89	1.01	1.12	1.04	1.19	1.05	1.14	0.80

Notes: Powerfulness of firm in competition against rivals concerning following aspects: 1 - image of the firm; 2 - quality of products and service; 3 – cost; 4 – brand; 5 – technology; 6 –marketing; 7 - scale merit; 8 - aftercare service; 9 - quality of human resources; 10 - capability of top management; a five-point scale was used, where 1 signifies answer – powerless at all and 5 answer – powerful enough for questions no. 1-13; 11- management is apt to be behind the time for reacting to changing market; 12 - if market demands it, our organization can quickly restructure; 13 - employees qualification is considered to be a very important source of competitive domination; 14 - it is very important to feel market changes to react contemporarily; a five-point scale was used, where 1 signifies answer – disagree and 5 answer – agree for questions no.11-14.

Tabel 3. The Clan Culture

		1	2	3	4	5	6	7	8	9	10	11
N=4027	M	3.42	3.59	3.34	3.11	3.27	3.18	3.42	3.11	3.33	3.35	4.11
	SD	1.07	1.00	1.02	0.99	1.21	1.02	0.97	1.07	0.98	1.10	0.82

Notes: 1 – satisfaction with trust between workers and management; 2 - work provides you with social contact with other people; 3 - work is a way for you to serve for society; 4 – I would like to take part in company’s decision making, because I think my opinion is important; 5 – it is normal to sacrifice something for organization’s sake; 6 – agreement is easily achieved even concerning hard problems in organization; 7 - during conflict everybody tries to solve it quickly and mutually profitable; 8 - projects are coordinated easily through all functional units; 9 - our organization cares even about temporarily hired workers; 10 - we realize our input into society and feel our importance; 11 - in group everyone must put maximum effort to achieve common goal; a five-point scale was used, where 1 signifies answer – disagree and 5 answer - agree.

Tabel 4. The Adhocracy Culture

		1	2	3	4	5	6	7	8	9	10
N=4027	M	3.31	3.46	3.00	3.27	3.72	3.31	3.58	3.22	3.60	3.89
	SD	1.16	1.14	1.00	1.05	1.03	1.18	1.00	1.22	1.00	0.84

Notes: 1 – work keeps you absorbed in and excited; 2 - work is in itself interesting; 3 - I always have ideas that can be approved by management; 4 - I am ready to take risk if it is approved; 5 - we constantly improve our methods of work; 6 - current vision creates stimuli for workers; 7 - company realizes clear mission that gives meaning and sense to work; 8 - we all clearly imagine future of our organization; 9 - failure is considered as a stimulus to learning and development; 10 - new ideas must be applied immediately otherwise they become old and obsolete; a five-point scale was used, where 1 signifies answer – disagree and 5 answer - agree.

Tabel 5. The firm performance concerning social issues among 4 culture types

		1	2	3	4	5	6	7	8	9	10	11
N=4027	M	4.05	3.78	3.82	3.88	4.03	4.04	4.10	3.96	3.50	3.33	3.24
	SD	0.97	1.11	1.05	1.06	0.95	0.95	0.94	0.98	1.09	1.12	1.12

Notes: The firm performance concerning social issues: 1 – compliance with the laws for business activities; 2 – compliance with the laws for worker protection; 3 – care and service for consumers; 4 – environmental protection; 5 – trustful relations with customers; 6 – safety and security of products and services; 7 – realization of the best quality of products and services; 8 – aftercare for users; 9 – publicity of company information for society; 10 – contribution to science and culture; 11 – public activities for local community; a five-point scale was used, where 1 signifies not at all and 5 very actively.

Tabel 6. The firm respect the interests of agents among 4 culture types

		1	2	3	4	5	6	7	8
N=4027	M	4.04	3.61	3.97	3.36	3.38	3.02	3.28	3.21
	SD	1.05	1.12	1.11	1.20	1.21	1.26	1.14	1.22

Notes: The firm respects the interests of the following agents: 1 – customers; 2 - subsidiary, subcontract firms; 3 – consumers; 4 - stock holders; 5 –employees; 6 - trade union; 7 - public administration; 8 - local community; a five-point scale was used, where 1 signifies answer – not at all and 5 answer - fully.

Tabel 7. Organizational culture types - hierarchy, clan, market, adhocracy in Estonia, China, Japan, Russian

		Hierarchy	Market	Clan	Adhocracy
Estonia N=623	M	3.45	3.61	3.98	3.57
	SD	0.99	0.95	0.95	1.12
China N=1150	M	3.79	3.84	3.66	3.83
	SD	1.03	1.01	1.06	1.04
Japan N=1570	M	3.21	3.28	3.02	3.04
	SD	0.87	0.84	0.83	0.83
Russian N=684	M	3.33	3.60	3.42	3.34
	SD	1.03	0.94	1.13	1.05

Notes: All indicators are statistically different between countries according to ANOVA-test, $p < 0.05$

Tabel 8. Four organisational culture types forecast 2 facets of corporate social responsibility (according to standardised regression coefficient Beta).

		B	Beta	t	Sig.
The firm performance concerning social issues					
N=4027, $R^2=.458$, F(4.3195)=677.63, p<.000	CLAN	.432	.352	13.336	.000*
	MARKET	.147	.110	6.782	.000*
	HIERARCHY	.133	.082	5.309	.000*
	ADHOCRACY	.276	.227	8.472	.000*
The firm respects the interests of agents					
N=4027, $R^2=.270$, F(4.3178)=294.69, p<.000	CLAN	.103	.051	2.578	.009*
	MARKET	.090	.058	2.965	.003*
	HIERARCHY	-.077	-.030	-1.500	.133
	ADHOCRACY	.010	.005	0.277	.781

Notes. * - coefficient statistically significant, $p < 0.01$

FPSI – The firm performance concerning social issues

FRIA – The firm respects the interests of agents

Figure 1. How organisational culture types predict corporate social responsibility

